

DAILY REPORT

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OFFICIALS REVEAL ODDS WITH U.S. ON SPACE

OW141021 Tokyo KYODO in English 1005 GMT 14 Mar 87

[Text] Tokyo, March 14 KYODO -- Japan and the United States widely differed on ways of proceeding with an international space station project during a two-day meeting here which ended Saturday, Foreign Ministry officials said.

The bilateral meeting, the fifth in a series, was aimed at promoting international cooperation for the construction of a U.S.-designed space station in which Canada and a number of European nations have also been asked to join. The U.S. side contended in the meeting that the Defense Department should be involved in the project and that the U.S. should be allowed to make 50 percent use of the facilities built by Japan and European nations to conduct its own experiments, the officials said. The Japanese side explained that a Diet resolution limits Japan's space development activities to peaceful purposes and demanded that Japan be regarded as an equal partner in the project.

In a bilateral meeting held in February in Washington, the U.S. made clear that it will place priority on pursuing its own national interests in the project. The next meeting is scheduled to be held in Washington in mid-April.

GOVERNMENT ACCEPTS EC, U.S. PROPOSAL ON AID

OW131339 Tokyo KYODO in English 1150 GMT 13 Mar 87

[Text] Tokyo, March 13 KYODO -- The Japanese Government has accepted a proposal of the European Community (EC) Commission for strengthening regulations on tied aid to developing countries and has conveyed its decision to the organization for Economic Cooperation and Development (OECD), government officials said Friday.

The proposal calls for boosting the minimum grant element (GE) of official loans tied to the purchase of goods from a particular country or countries from the present 25 percent to 35 percent to reduce the use of low-interest loans for export promotion and improve the terms of tied aid in favor of recipient nations, the officials said. It also calls for revising the calculation formula for the GE rate to reflect the market interest rates of donor countries, they said.

The Japanese acceptance will put an end to a three-year-old dispute among Japan, the United States and EC nations. The U.S. has already accepted the EC proposal. The EC mediation plan will favor the U.S. and France where market interest rates are relatively high, but will act against Japan where interest rates are low, the officials said. The OECD's current calculation formula is based on the idea that the GE of an interest-free loan is 100 percent. Tied loans bearing a GE of less than 25 percent are not regarded as official aid.

The current formula has been under review since the end of 1983 in response to U.S. insistence that countries which have higher interest rates need subsidization to meet the demanded GE rate as the existing formula is based on a fixed standard interest rate of 10 percent for GE calculation irrespective of market rates.

Japan had insisted that the present calculation system be maintained, thereby bringing on the dispute among Japan, the U.S. and EC countries.

The EC plan proposed in January is expected to be formalized at the OECD's ministerial meeting slated for May, the officials said. If approved, the OECD will boost the minimum GE rate by 5 percent to 30 percent in July and by another 5 percent to 35 percent in July next year, the officials said.

FISH TRADE TALKS TO BEGIN 18 MAR

OW160529 Tokyo KYODO in English 0428 GMT 16 Mar 87

[Text] Tokyo, March 16 KYODO -- Japan and the United States will begin trade talks here Wednesday to set a 1987 quota for imports by Japan of herring and processed Alaska pollack from the U.S., government officials said.

The talks, at the Foreign Ministry, will follow discussions held in Washington in late February in which the two nations agreed in principle to maintain the present system but to expand the quotas, the officials said.

VLADIVOSTOK TO HOST JOINT TRADE FAIR IN MAY

OW160533 Tokyo KYODO in English 0431 GMT 16 Mar 87

[Text] Tokyo, March 16 KYODO -- Japanese trade organizations will hold the first Japan-Soviet coastal trade fair in Vladivostok May 26-31 with 45 Japanese manufacturers and trading firms attending, trading sources said Monday.

The two Japanese organizations, the Japan-Soviet Trade Association, and the Japan Association for Trade With Soviet Union and Socialist Countries of Europe, and the USSR Chamber of Commerce and Industries will sponsor the trade fair focusing on machinery at the request of the Soviet Union, the sources said.

OPPOSITION SCORES NAKASONE ON TAX; DIET REOPENS

OW131409 Tokyo KYODO in English 1300 GMT 13 Mar 87

[Text] Tokyo, March 13 KYODO -- Diet business resumed Friday after a nine-day deadlock, but soon stalled again over a controversial proposed value-added type sales tax.

Leaders of the opposition parties, including Naohiko Okubo, secretary general of the No 2 opposition party Komeito, Eichi Nagasue, vice chairman of the Democratic Socialist Party, questioned Prime Minister Yasuhiro Nakasone and other ministers over the proposed sales tax at a meeting of the Budget Committee of the House of Representatives.

Opposition leaders claimed that the sales tax, expected to be 5 percent on goods and services, is a large-scale indirect tax, something which Nakasone promised not to introduce in the Diet election campaign last July.

Nagasue also said the sales tax is a general consumption tax, which a Diet resolution said should not be introduced.

Nakasone replied that there will be many tax-free categories and that traders whose yearly sales fall below 100 million yen will be tax-exempt.

Nakasone argued that the sales tax is not "large-scale," because it will account for only 12 percent of total tax revenues, compared with 30 to 40 percent in European countries.

Okubo and Nagasue were not satisfied with the explanations of Nakasone and other government officials, and refused to go on with their questioning.

The opposition parties decided not to attend further sessions of the Budget Committee unless the government submits more data on the sales tax.

Thursday the opposition parties had agreed to resume Diet business in return for postponement of public hearings on which the IDP had unilaterally decided.

FINANCE MINISTRY PREDICTS GRADUAL RECOVERY

OW160925 Tokyo KYODO in English 0901 GMT 16 Mar 87

[Text] Tokyo, March 16 KYODO -- The Japanese economy, heavily battered by the strong yen, will bottom out after the second quarter of this year, the Finance Ministry predicted Monday.

The ministry said in a survey report that pretax profit in the latter half (October 1986-March 1987) of fiscal 1986 would grow 0.4 percent over the year-before level for the first time in nearly two years.

In addition, the ministry report forecast there will be less exchange rate fluctuations this year than in 1986.

The findings were based on the ministry's gleanings from 8,328 companies with a capital of over 10 million yen.

While smaller enterprises with a capital of less than 100 million yen are not foreseeing an economic recovery, the ministry report said, a majority of larger firms with a capital of over 100 million yen are projecting an upturn in the July-September period after a level-off in the April-June period.

As for pretax profit, the ministry survey showed Japanese firms are expected to post a 10.0 percent rise in the first half of fiscal 1987 starting April 1 after a 2.5 percent fall in the current fiscal year.

The nation's manufacturing sector is anticipating a 7.7 percent jump in the first half of fiscal 1987 following a 16.6 percent decline in fiscal 1986, the ministry reported.

Nonmanufacturing companies, less affected by the yen's sharp appreciation, are projecting double-digit gains of 11.4 percent in fiscal 1986 and in the first half of fiscal 1987.

Japanese manufacturing companies will witness a sales rebound from a 5.2 percent decline in fiscal 1986 to a 0.3 rise in the first half of fiscal 1987 and nonmanufacturing firms will register a 2.2 percent sales gain in the first half of fiscal 1987 after a 0.9 percent drop in fiscal 1986, the ministry survey showed.

WORKERS SENT JOB NOTICES IN JNR PRIVATIZATION

OW160331 Tokyo KYODO in English 0325 GMT 16 Mar 87

[Text] Tokyo, March 16 KYODO -- A committee representing 11 new companies being set up on April 1 with the privatization of Japanese National Railways (JNR) began Monday to send job notices to some 210,000 JNR rand-and-file employees selected to work for the new business.

Six new passenger companies and one freight company will replace JNR.

The notices list the names of offices and stations to which the workers will be assigned, and state of their job titles and salaries.

The committee, chaired by Eishiro Saito, board chairman of Nippon Steel Corp., said the workers will get an average 5,000 yen raise on their present basic monthly wages.

The total payroll is 9,414 less than originally set by the new business because many JNR owrkers are retiring voluntarily, the committee said.

'U.N. JOINT SURVEY GROUP' TO KOREA TERMED 'LIE'

SK140512 Pyongyang KCNA in English 0459 GMT 14 Mar 87

[Text] Pyongyang March 14 (KCNA) -- MINJU CHOSON Saturday comments on the recent exposure of a base attempt of the South Korean Puppets to inveigle U.N. Secretariat officials into the false propaganda about the construction of the Kumgangsan power station.

On February 19 "South Korean radio No 1," quoting a so-called correspondent's report from New York, aired the lie that the U.N. secretary general, when he met the "South Korean permanent observer" in the United Nations, said he "is willing to send a U.N. joint survey group" to see things about the construction of the Kumgangsan power station.

Authorized by the U.N. secretary general, his spokesman gave a news briefing on February 27 and declared that the "reports about the intended dispatch of an experts delegation for the survey" of the construction site of the Kumgangsan power station by the secretary general "are incorrect." And he made public to the reporters of different countries the inside story of those reports.

The signed commentary titled "Tricky Scenario of Confirmed Swindlers" says:

The noisy propaganda of the South Korean subsidized radio that the U.N. secretary general talked about the "dispatch of a joint survey group" was a sheer fabrication and a despicable political drama to mar the image of the Democratic People's Republic of Korea.

The "South Korean diplomats" in the United Nations cooked up the unfounded script of false propaganda, abusing the name of the U.N. Secretariat officials. This makes it self-evident that they are habitual charlatans executing orders from the puppet Security Planning Board and brazen-faced hoodlums who make no bones of abusing and besmirching even the authority of the United Nations to attain their dirty aim.

The false reports from South Korea are part of the systematic and well-planned propaganda barrage intended to impair the external authority of our republic and justify the treacheries and repression of people by the Chon Tu-hwan military fascist clique and their "two Koreas" plot.

Recalling that the South Korean puppets, entering this year, have amplified their false propaganda offensive to build up public opinion decrying us by fabricating a "case of attempted kidnapping of an overseas Korean" and a "case of gang-drubbing of Hong Kong students," the commentary says:

Each "brainchild" full of lies and deception, and imposture and shady business, goes to pieces. But they are never weary of false propaganda. This reveals their sorry sight in an utter isolation in which they have been landed, denounced and rejected within and without.

The South Korean puppets are trying to conceal their treacherous color and find an outlet from their tight fix by impairing the authority of our republic with a whole catalogue of black propaganda. But this is a filthy act which stands no chance of success.

The South Korean authorities should give up all their anti-DPRK smear campaigns, mindful that their ill-advised and base false propaganda will bring their ugly color into a more glaring light.

PRC'S ZHU LIANG CONCLUDES VISIT TO DPRK

Visits Construction Sites

SK150310 Pyongyang Domestic Service in Korean 1300 GMT 11 Mar 87

[Text] Zhu Liang, director of the International Liaison Department of the Central Committee of the Communist Party of China, and his party, now visiting our country, toured many places in Pyongyang and the provinces.

The Chinese guests toured the Sohae lockgate yesterday. After being briefed on the Sohae lockgate, which was constructed as a great monumental edifice by KPA soldiers and construction workers in the short period of 5 years with our own design and materials, the Chinese guests inspected many facilities of the lockgate, including the revolving bridge.

After completing his inspection, director Zhu Liang wrote in the visitors book as follows: It is great honor and pleasure that we have been able to directly see the grand Sohae lockgate built under the wise leader of President Kim Il-song, the great leader of the Korean people. The Sohae lockgate is the great pride and great creation of the Korean people.

That same day, the Chinese guests toured the Taean heavy machine complex. They inspected the construction sites of Kwangbok Street, Angol sports village, and Nungnado stadium today.

While inspecting these construction sites, where construction is being rapidly accelerated under the wise leadership of our party center on the eve of the 13th world youth and student festival, the Chinese guests expressed their great impressions of the large-scale and modern construction projects.

Departs for Home 13 Mar

SK131045 Pyongyang KCNA in English 1024 GMT 13 Mar 87

[Text] Pyongyang March 13 (KCNA) -- The head of the International Liaison Department of the Central Committee of the Communist Party of China [Zhu Liang] and his party left for home today.

Home-visiting groups of Koreans in Japan arrived here for a visit to the socialist homeland on the same day.

Earlier, Thursday, the delegation of the Korean Social Democratic Party which had visited Czechoslovakia and Poland and the delegation of the Ministry of Atomic Energy Industry of Korea which had visited the Soviet Union returned home.

KIM IL-SONG RECEIVES GDR ENVOY MARETZKI 13 MAR

SK131038 Pyongyang KCNA in English 1021 GMT 13 Mar 87

[Text] Pyongyang March 13 (KCNA) -- The great leader President Kim Il-song on March 13 received Hans Maretzki, ambassador extraordinary and plenipotentiary of the German Democratic Republic to Korea.

Present there were Kim Hyong-yul, vice-minister of foreign affairs, and an official of the GDR embassy here.

The ambassador conveyed to President Kim Il-song a personal letter and a documentary film from Comrade Erich Honecker, general secretary of the Central Committee of the Socialist Unity Party of Germany and chairman of the State Council of the German Democratic Republic. The film records Comrade Erich Honecker's visit to Korea in October last year.

President Kim Il-song expressed thanks for this and had a conversation with the ambassador.

HWANG CHANG-YOP-LED DELEGATION DEPARTS FOR USSR

SK141023 Pyongyang KCNA in English 1010 GMT 14 Mar 87

[Text] Pyongyang March 14 (KCNA) -- A delegation of the Workers' Party of Korea headed by Hwang Chang-yop, secretary of the C.C., the WPK, left Pyongyang by plane Saturday for a visit to the Soviet Union.

The delegation was seen off at the airport by Hyon Chun-kuk, director of a department of the WPK Central Committee, and Nikolay Shubnikov, Soviet ambassador to Korea.

CPRF CRITICIZES U.S. ARMS SUPPLY TO SOUTH

SK140445 Pyongyang KCNA in English 0436 GMT 14 Mar 87

[Text] Pyongyang March 14 (KCNA) -- The United States must discontinue at once the arms buildup barring peace in Korea and her peaceful reunification, withdraw its aggression forces and nuclear and other mass destruction weapons without delay from South Korea and accede at an early date to our fair proposal for tripartite talks.

The Secretariat of the Committee for the Peaceful Reunification of the Fatherland stresses this in its Information No. 383 issued on March 13.

The information points to the fact that the U.S. Army secretary and the chief of general staff of the U.S. Army in their joint report on the military posture of the U.S. Army for the fiscal 1988 submitted to the Armed Service Committees of the U.S. House and Senate announced the plan to continue deploying the U.S. Army Second Division occupying South Korea in the forward area and maintain arms buildup, reinforce the fire power of the division and additionally attach a wing of attack helicopters and dispose there a multi rocket support system. It says:

This is one more clear proof that the schemes of the U.S. imperialists to start another war of aggression in Korea have reached the final stage.

The U.S. imperialists are not only staging the very adventurous "Team Spirit-87" military exercises but also reinforcing armed forces, leading the situation to the brink of war. This is an undisguised challenge and insult to our people and the world's peaceloving people who are desirous of dialogue, peace and peaceful reunification.

This patently proves that although the United States is paying lip-service outwardly to "peace" and "dialogue", its real intention is to unleash another war, a nuclear war, at any cost on the Korean peninsula.

CHON 'DRIVELLING' ABOUT 'SUPREMACY IN STRENGTH'

SK160458 Pyongyang KCNA in English 0448 GMT 16 Mar 87

[Text] Pyongyang March 16 (KCNA) -- The traitor Chon Tu-hwan on March 13 called to "Chongwadae" a few picked university graduates and their parents and held a "government"-sponsored function, at which he blared that his clique would be able to "realise the peaceful unification" based on their "supremacy in strength" in the 90s, according to a report.

This is a vicious challenge to us who are striving to create an atmosphere of dialogue and trust and make a breakthrough for peace and peaceful reunification by easing at any cost the acute political and military confrontation in the country. This fully revealed the treacherous design of northward invasion.

By drivelling about the "supremacy in strength", the traitor Chon Tu-hwan virtually denied dialogue and meant to achieve "unification by prevailing over communism" at any cost through invasion of the North.

On March 5 the traitor Chon Tu-hwan made the "representative member" of the "Democratic Justice Party", his private political party, gibber that unification is possible only when "supremacy in strength" is obtained.

All the facts show that the South Korean puppet clique of traitors are not interested in North-South dialogue or peaceful reunification at all but are interested only in permanent division of the country and northward invasion under the instructions of the U.S. imperialists.

ROK AIR MOBILE OPERATIONS 'PROVOCATIVE'

SK160455 Pyongyang KCNA in English 0445 GMT 16 Mar 87

[Text] Pyongyang March 16 (KCNA) -- The Chon Tu-hwan fascist clique on March 14 staged a provocative "exhibition exercise of aerial mobile operation" by mobilizing a puppet army unit and letting fly helicopters of various types, clamouring about "tactical operation of mobile units" and "demonstration of loading capacity", according to a report.

This military racket which timed to coincide with the "Team Spirit 87" joint military exercises directed against the northern half of the republic aroused unanimous resentment of all the Korean people and the world peaceloving people who desire the removal of the political and military confrontation between the North and the South and the creation of an atmosphere of dialogue and peace.

NODONG SINMUN DENOUNCES ROK STUDENT REPRESSION

SK140008 Pyongyang Domestic Service in Korean 2145 GMT 11 Mar 87

[NODONG SINMUN 12 March commentary: "The Wind of the Fascist Bayonet Is Blowing Violently on Campus"]

[Text] It has been revealed in an announcement by the puppet Education Ministry that the Chon Tu-hwan fascist clique forcibly expelled from school approximately 58,600 students -- nearly one-third of the college students entering school in 1983 -- under the pretext of academic punishment, suspension from school, and so forth, thus hanging them with the rope of fascism instead of giving them diplomas for graduation.

This shows that the measures for campus autonomy and so forth raved about by the fascist clique are actually fascist repressive measures designed to eradicate the student movement by either expelling or punishing progressive students. The fascist clique's actions are strangling the campuses in a way unseen before in the history of world education.

The Chon Tu-hwan clique has directed the main spearhead of suppression against the students, the vanguard leaders of the anti-U.S. and antifascist struggle, ever since it seized power, treating them as a thorn in its flesh. The puppets have branded the just youths and students who pursue the anti-U.S. and antifascist cause for democracy as students with poor academic records, radical leftist students, and students in the sphere of a movement. Not satisfied with this, the puppets have perpetrated merciless acts of punishing and expelling them from schools, even branding them pro-North forces.

The fascist clique has also massively confined the progressive students in prisons, training centers, and camps with various names, and has unhesitatingly tortured and murdered them.

The U.S. paper, THE NEW YORK TIMES revealed that the murderous clique imprisoned several thousand college students at an army concentration camp, making them work and torturing and murdering them.

The fascist hooligans' ring massively arrested more than 1,500 students who participated in the joint sit-in struggle at Konguk University, Seoul last year by carrying out scorched earth tactics against them and massacring more than 20 students. It is continuously perpetrating massive arrest, imprisonment, punishment, and massacre upon college students.

The number of students who have called for independence, democracy, and reunification who have been sacrificed by the fascists, including Pak Chong-chol, Yi Chae-ho, Pak Hae-chong, Kim Song-su, and Kim Tae-hun of the Seoul National University and Han Yong-hyon of Hanyang University, is countless.

Since the beginning of the new semester, the puppets have launched a scorched earth operation against the campuses. They kicked up a commotion of arresting 400 college students and handed down a list of approximately 3,000 students of the sphere of the movement to each police station.

The puppet police headquarters prepared cards for the individual students in question, completely blocking the campuses, and successively directed repressive orders to thoroughly search and watch their dormitories and rooming houses.

The fascist clique, launching a murderous operation against campuses, beginning with the massacre of three patriotic students in the New Year, indiscriminately punishes numerous patriotic students, holding murderous trials everywhere.

The Chon Tu-hwan clique unhesitatingly raves about making approximately 60,000 college students the victim of its guns and bayonets through its fascist measures, including academic punishment and suspension from school. Thus, it openly declares that it will wage more frantically such fascist punishment commotion in the future, threatening and menacing the students.

The Chon Tu-hwan clique is running amok to strengthen suppression on the campuses with fascism and tie the students with the rope of fascism. Thus, it is fanatically attempting to repress them so they cannot rise in the anti-U.S. and antifascist struggle and to prevent the flames on the campuses from spreading among the masses of all walks of life.

However, the fascist clique can never block the will of the youths and students by wielding the bestial bayonet. On 3 March, the students of more than 60 universities throughout South Korea courageously fought, together with tens of thousands from among the masses of all walks of life, shouting the slogans "let Us Overthrow the Torturous Clique!" and "Let us Recover Democracy!" and rejecting repression.

This clearly reflects the will of the South Korean youths, students, and people to not lower the banner of struggle until they greet the new world with independence and democracy free from aggressors and nation sellers.

The South Korean students and people will respond to the fascist clique's barbarous repression with a fiercer mass struggle and will finally crush the U.S. imperialists' fascist colonial rule.

CHON'S REMARK ON STABILITY, VIGILANCE 'INSULT'

SK151047 Pyongyang Domestic Service in Korean 2152 GMT 14 Mar 87

[NODONG SINMUN 15 March commentary: "Dancing With a Bayonet While Beating a Torn Drum"]

[Text] Traitor Chon Tu-hwan is frantically running amok with the commotion of anticommunist confrontation while continuously beating the torn drum of the deceptive threat of southward invasion.

Going around the puppet army units, city halls, and provincial offices throughout South Korea, the puppet traitor raved that because this year and the next year are a dangerous time when the danger of someone else's provocation is greatest, strength must be fostered and efforts should be concentrated on strengthening the posture of anticommunist vigilance. The puppet made such a powder-reeking remark even when he visited a stadium in Pusan.

That traitor Chon Tu-hwan babbles about the establishment of posture of anticommunist vigilance while loudly propagandizing the nonexistent threat of someone else's provocation is an intolerable insult and provocative act against us, who are consistently making efforts for peace and the peaceful reunification of the nation.

The puppets' theory of a threat of southward invasion has been fully exposed as a falsehood before the entire world. Even recently, proceeding from the sincere desire to create an atmosphere favorable to improving the North-South relations by eliminating the political and military tension between the North and the South and to make a breakthrough toward peaceful reunification, we put forward a proposal for high-level North-South political and military talks and have made every sincere effort to realize it.

It is clear to everyone that our peace-loving efforts cannot be a threat to South Korea. As for the threat that actually exists on the Korean peninsula, it is threat of northward invasion from the South.

By staging the "Team Spirit-87" joint military exercise, a test nuclear war against us, together with the U.S. imperialists, the puppets are leading the situation in the country to the brink of war. One can foresee that this exercise, in which more than 200,000 troops are mobilized, will turn into an offensive operation against us at any moment.

Nevertheless, the puppets have kicked up a commotion by loudly talking about someone else's provocation and so forth. This is same as a thief shouting "stop thief!"

A former U.S. ambassador to Japan recently revealed that the threat of southward invasion has not existed on the Korean peninsula from the very beginning and that the South Korean puppets' propaganda about the threat from the North is merely designed to legalize their cruel fascist rule and oppression of human rights. Those who trust the remarks about a threat of southward invasion loudly made by the puppets are neither in South Korea nor anywhere else.

The true threat to the South Korean puppets is the anti-U.S. and antifascist struggle of the youths, students, and people which grows fiercer with each passing day and is the crisis of the fascist rule wavering thereby.

With the beginning of the new semester, the anti-U.S. and anti-puppet struggle of the youths and students is further enhanced and spreading among people from all walks of life. On 3 March, students from more than 60 universities throughout South Korea and hundreds of thousands of the people jointly held a memorial service for patriotic student Pak Chong-chol. In addition, the people's shouting constantly resounded demanding an end to the puppets' torturous and murderous politics.

Foreign news reports have noted that the resentment and indignation of the South Korean people against the puppets have reached an extreme and that the puppet regime sits on an volcano which may explode at any moment. The commotion about a threat of southward invasion and the frenzy of anticommunist confrontation of the puppets are a death cry by those who are extremely frightened by such a situation facing explosion.

The Chon Tu-hwan clique is attempting to mislead public opinion by describing the threat of southward invasion as real to divert the people's sense of resistance elsewhere and to more cruelly suppress their just advance by preposterously linking it with us: Thus, it is running amok to settle the crisis of destruction and to realize its ambition for retaking power at any cost.

Traitor Chon Tu-hwan raves about social stability and the eradication of the pro-communist and pro-North forces whenever he opens his mouth. From this, one can easily realize the rascal's true intention.

Today the South Korean youths, students, and people are firmly resolved to rise as one in the struggle to overthrow the colonial fascist rule of the U.S. imperialists and the puppets and to bring about a new world with independence, democracy, and reunification.

The criminal maneuvers of the Chon Tu-hwan clique, which is attempting to settle the crisis in its fascist ruling system with the lie of a threat of southward invasion, cannot avoid destruction.

COMMENTATOR URGES SOUTH TO RESPOND TO PROPOSAL

SK150637 Pyongyang Domestic Service in Korean 1150 GMT 13 Mar 87

[Commentary by station commentator Kim Kyong-pok: "The South Side Should Affirmatively Respond to Our Peace Proposal"]

[Text] Many days have passed since the premier of the State Administration Council and the minister of the People's Armed Forces of our Republic sent their third letter to the South Side in connection with holding high-level North-South political and military talks. Since our new proposal for political and military talks was made public to the world, political circles, social circles, and the press of the world have raised voices that fully support our peace initiative, praising it as a most reasonable, realistic, and epochal step to alleviate tension on the Korean peninsula and to open a new aspect for dialogue and peaceful reunification and as a fair and aboveboard proposal acceptable to everyone who wants peace and peaceful reunification.

As is already known to the world, in its third letter to the South, our side made it clear that if high-level North-South political and military talks are held, a clue to the solution to the tightly restricted North-South relations can be obtained, the multi-sided dialogues between the North and South that have been suspended can be resumed, and the construction of the Kungangsan power plant which the South has taken issue with may also be discussed, along with the various problems we have already advanced for the high-level North-South political and military talks.

In light of the present situation in which the political and military confrontation between the North and South has become extremely acute and in light of the principled demands for successful progress in North-South dialogue, it is reasonable to create an atmosphere for dialogue first through high-level North-South political and military talks, then to open the suspended multi-sided dialogues.

Today, an extremely tense situation prevails in our country. Needless to say, without removing the present tense political and military confrontation, problems cannot be resolved.

Let us talk about the "Team Spirit-87" joint military exercise being staged in South Korea against our republic and the vicious anticommunist and confrontational commotion against us. All dialogues held in the past amid the tense situation and the danger of war failed to achieve progress and ultimately could not escape rupture.

Therefore, to successfully conduct North-South dialogue, high-level North-South political and military talks should be first held to alleviate tension and to provide an atmosphere of trust and reconciliation. By so doing, multi-sided dialogues can be resumed and, furthermore, highest-level talks between the North and South can be held.

Proceeding from this, our side has repeatedly urged the South to join in high-level North-South political and military talks. However, the South Korean puppets have insisted on resuming the existing dialogue and holding talks between the highest responsible persons of the North and South without reason.

Therefore, in an effort to resolve the reunification question through dialogue and negotiations, our side, in its third letter, has advanced a new magnanimous and flexible proposal that high-level North-South political and military talks and the suspended multi-sided dialogues be held simultaneously.

This proceeds from our sincere efforts and patriotic and nation-loving stand to resolve the present difficult situation and open an aspect favorable to the country's peaceful reunification.

Concerning construction of Kungangsan power station, its construction is one of our peaceful construction projects and has nothing to do with any military purposes. Therefore, the construction of the power plant cannot become an issue for discussion between the North and South.

However, the South Korean puppets have heightened the situation by kicking up an anticommunist commotion, taking issue with the construction of the Kungangsan power plant. Therefore, in the third letter our side has made it clear that this problem may also be discussed at the high-level North-South political and military talks. Indeed, our new peace proposal for holding high-level North-South political and military talks is a most fair and aboveboard proposal that fully reflects the demands of the South.

There is no reason or excuse whatsoever for the South Korean puppets to refuse our peace proposal. If they truly want detente and North-South dialogue, they should accept our peace proposal.

The attitude of the South side toward our new proposal for high-level North-South political and military talks will become a touchstone to finding out whether or not the South side wants dialogue and whether or not it wants peace and peaceful reunification.

The entire nation and all the people of the world are now keenly watching the attitude of the South. The South should not seek impure political purposes, but affirmatively respond to our peace proposal. If the South Korean puppets continuously dash toward the road of anticommunist confrontation and war in defiance of repeated warnings at home and abroad, thus aggravating the present political and military confrontation, the people will not tolerate the rascals.

KCNA REPORTS SOUTH MEASURES AGAINST AIDS

SK132201 Pyongyang KCNA in English 1500 GMT 13 Mar 87

[Text] Pyongyang March 13 (KCNA) -- The puppet Ministry of Health and Social Affairs decided to set up "AIDS advice offices" in all parts of South Korea, which is seized with fear of AIDS, the "disease of death", according to a report.

This is another evidence that AIDS is spreading across South Korea.

One AIDS case has broken out after another in South Korea, some of them proving dead, and this has made the puppet clique a target of accusing fingers. This is why they have decided to set up "advice offices" in such a hurry.

But no "advice office" can ever eradicate AIDS.

This disease may disappear when the U.S. imperialist aggression forces, the carriers of AIDS virus, are forced out of South Korea.

VNS DISCUSSES DANGER OF 'TEAM SPIRIT-87' EXERCISE

SK160839 (Clandestine) Voice of National Salvation in Korean to South Korea 1000 GMT 14 Mar 87

[From regular feature program "Hour for Armed Forces": Talk by Yun Chong-won: "On the Danger of the 'Team Spirit-87' Exercise"]

[Text] How are you, every man and officer? The people at home and abroad, who seek peace on the Korean peninsula and its reunification, strongly demand that the "Team Spirit-87" South Korea-U.S. joint military exercise be brought to an end at once. The "Team Spirit-87" military exercise is not a mere exercise. It is a test nuclear war and a preliminary war reminiscent of actual warfare.

In staging "Team Spirit", the U.S. authorities are mobilizing forces 200,000-strong, including those from U.S. mainland, and Japan. They are not from a single service or military branch. Army, Navy, Air Force, Marines, and even commandos are being mobilized. This is indeed a large troop composition with which an entire war can be waged in modern warfare.

Meanwhile, most of the military equipment mobilized for the "Team Spirit" exercise is nuclear war equipment. An aircraft carrier battle group, B-52 strategic bombers, F-16 fighter-bombers, all types of nuclear missiles, and various equipment and means to deliver nuclear weapons are being mobilized. Thus, "Team Spirit" is the only exercise in which such a large amount of nuclear equipment is mobilized.

The duration of "Team Spirit" has also been extended. All the facts show that the "Team Spirit-87" exercise cannot be considered a mere annual exercise.

The activities of U.S. forces in the preparatory stage clearly show the criminal nature of the exercise. Several months prior to the "Team Spirit" exercise, the 25th U.S. Infantry Division underwent field training and held Korean language classes, and the 3rd Marine Division in Okinawa underwent a landing operation exercise, cold-weather training, (?sentry-dog) training, and special parachute training. The 7th Division in the U.S. mainland underwent preparatory training for as long as 7 months.

All this is of course, training that can be conducted during the "Team Spirit" exercise itself. But it was conducted several months previously. This shows that the "Team Spirit" exercise is not training, but an exercise for a real war.

The danger of the "Team Spirit" South Korea-U.S. joint military exercise can be clearly seen in the fact that it is staged amid an atmosphere of actual warfare. Three-dimensional exercises are staged on the ground, on the sea, and in the air over South Korea, beginning from the truce line area, by mobilizing nuclear weapons, conventional weapons, and all means of deployment. Its ultimate target of attack is the North.

Landing, river-crossing, airlift, special commando, and hinterland disturbance operations are all intended to attack the front and rear areas of the North at the same time. In addition, they are intended to occupy special areas of the North. It was several years ago that the United States started to distribute military maps of the North's terrain for units that participate in operations.

The nature of the military exercise is also reminiscent of actual warfare. Farmland is trampled under the tread of tanks, fishing ports are used for military purposes, and school buildings and grounds are converted into military quarters and training sites. During this war exercise, real ammunition is used, and people are killed as the normal practice.

For the treatment of those killed and injured during the exercise, the United States even moved a mobile hospital to South Korea from Hawaii.

All these facts show that "Team Spirit" is an exercise for actual warfare to attack the North.

Meanwhile, during the "Team Spirit" South Korea-U.S. joint military exercise, the United States even stages a joint military exercise with the Japanese Self-Defense Forces. This shows that the "Team Spirit" exercise is a South Korea-U.S.-Japan joint operational exercise, though it superficially appears to be a South Korea-U.S. joint exercise.

In seeking to ignite a war in South Korea, the United States tries to use Japan as a relay, supply, and advance base, and hurl Japanese Self-Defense troops into the war. This shows that the "Team Spirit" exercise is indeed a dangerous war exercise for igniting another Korean war.

As you now know, South Korea has been turned into the largest nuclear base in the Far East, in which 1,000 U.S. nuclear and neutron weapons are deployed, and into a nuclear powder magazine that can explode at any moment.

On the Korean peninsula, which is in a state of temporary cease-fire without any guarantee for peace, such a war exercise as "Team Spirit" against the opposing side can escalate into a homicidal war and a nuclear war beyond the boundaries of the Korean peninsula. This will impose irretrievable catastrophe on our nation and soil. This is precisely why the criminal and dangerous war exercise "Team Spirit" must be brought to an end at once.

JAPAN TRIES FOILING ROK'S IMPORT DIVERSIFICATION

SK160530 Seoul YONHAP in English 0457 GMT 16 Mar 87

[Text] Seoul, March 16 (YONHAP) -- Japan is trying to foil South Korea's plan to reduce its high trade deficit with that country by diversifying its import sources, a Trade and Industry Ministry official said Monday.

On March 9, Japan submitted a report to the secretariat of the General Agreement on Tariffs and Trade (GATT), arguing that Korea's five-year import diversification plan involves "unfair trade practices." The "inventory" report said that Korea's plan violates the principles of the GATT, the official said.

In the report, Japan contended that Korea's plan to switch its sources for the importation of 235 commodity items, mostly machinery appts and basic materials, from Japan to the United States and other countries is tantamount to quota restrictions and non-tariff trade barriers. The report also said that the Korean plan violates the basic spirit of the GATT, under which the members countries are supposed to give one another most-favored-nation treatment, according to the official.

Under the established practices of the GATT, the concerned countries should be notified of the details of an inventory within two months. Article 23 of the GATT stipulates that such a trade dispute should be solved through negotiations between the concerned countries.

Korean officials interpreted the Japanese report as part of a plan to bring Korea to the negotiating table and to frustrate Korea's efforts to diversify its import sources, the source added. Japan can bring its complaints to the GATT's supervisory organizations, which are entitled to issue orders forbidding or easing import regulations. It is premature to predict if Japan will submit its complaints, however, the source said.

Japan regulates imports from Korea through the imposition of high tariff rates and various non-tariff barriers, including the highly complex and confusing standard certification system. Under the circumstances, it would be "utterly unreasonable" for Japan to bring its complaints to the GATT in an effort to thwart Korea's plan to reduce its bilateral trade deficit by diversifying its import sources, the source said.

Korea records a deficit of 5 billion dollars annually in its trade with Japan. The Korean Government is working out countermeasures against the Japanese pressure through the GATT, the official added.

DPRK DEMANDS AUTOMATIC BERTHS AS 'CO-HOSTS'

SK150025 Seoul THE KOREA HERALD in English 15 Mar 87 p 11

[By staff reporter Chon Shi-yong]

[Text] North Korea, which has demanded a role in organizing the 1988 Seoul Olympics, brought forward a new demand this week claiming it should be given automatic berths in some sports of the Seoul Games as "Co-hosts."

It was reported Friday that North Korea would not participate in the Seoul Olympic qualifying tournaments in soccer and women's volleyball because they "deserved" berths at the Seoul Olympics as co-hosts with South Korea.

At the Olympic Games, only the host country and defending champion gain automatic seats to the Olympic main round in team sports.

North Korea had initially demanded to co-host the 1988 Seoul Olympics which the international Olympic Committee (IOC) awarded to Seoul in 1981. It has threatened to lead a Communist-bloc boycott of the Seoul Games unless its demands are met.

The IOC, in a bid to see the first boycott-free Olympic Games since the 1972 Munich Games, offered a compromise with the north staging all or part of our of the 23 sports to be staged at the Seoul Games.

South Korea accepted the IOC proposal and the north says it wants more.

"It (the north's demand for automatic berths in soccer and volleyball) clearly shows that their attitude toward the IOC talks, in which the three parties are negotiating to have them stage a few sports, is superficial," observers here said.

The north Koreans, while asking to stage some sports in their territory, voluntarily gave up their competition rights for the Seoul Games, the observers said. "It's a dual attitude."

They also noted that the North Korean withdrawal from the Seoul Olympic qualifers may affect the talks between the IOC and the south and the North.

"They (north Koreans) have placed themselves under international criticism and into isolation in the sports world."

High-ranking soccer official said after the north pulled out of the soccer tournament that he would recommend the International Football Federation severely punish north Korea for their absence in the qualifying tournament.

"We will recommend severe punishment and fine," Peter Velappan, secretary general of the Asian Football Confederation (ZFC), was quoted as saying in Kuala Lumpur, where the Olympic qualifying round between north Korea, Malaysia and Thailand is scheduled.

A FIFA official, Guido Tognoni, was also quoted in a Kuala Lumpur newspaper as saying that there was "no question of an automatic berth for north Korea.

"We have made it clear to the north Koreans that they will have to go through the qualifying round," Tognoni said.

"South Korea, as the host of the 1988 Olympics, and France, as defending champions, are the automatic qualifiers. North Korea will be penalized according to tournament rules," Tognoni concluded.

U.S. ENVOY, OPPOSITION LEADER EXCHANGE VIEWS

SK140058 Seoul THE KOREA HERALD in English 14 Mar 87 pp 1, 2

[Text] U.S. Amb. James Lilley said yesterday that violence should not be employed in seeking democratization in Korea.

He said the issue of attaining democratization in Korea is basically up to the Korean people to solve and that the United States is not in a position to intervene in the process.

Amb. Lilley made the point when he met with Yi Min-u, president of the major opposition New Korea Democratic Party, over dinner at the Hotel Shilla.

Lilley showed deep interest in Yi's seven-point democratization formula, asking why the proposal is not welcomed (by both the ruling and opposition parties), according to Rep. Chong Chae-mun who attended the dinner meeting.

Lilley also asked if Yi's formula contains a willingness to compromise on the cabinet form of government favored by the ruling Democratic Justice Party, Chong said.

At this, Yi was quoted as saying he didn't have a parliamentary system in mind when he proposed his democratization formula last December.

Yi said that the NKDP's official line seeking direct presidential elections is not changed, nor is his formula to the withdrawn.

During the three-hour meeting, Lilley was quoted as saying that Korean people are doing well in economy and security, but have yet to settle the democratization issue.

The U.S. ambassador was further quoted as saying he has often seen the rival political parties of Korea talk mainly on democratization, without having serious discussion on the inter-Korea issue, economic policy and the Korea-U.S. security.

He expressed hope that Korea's rival parties will achieve democratization in the end, according to Rep. Chong.

GOVERNMENT 'SKEPTICAL' OF NEW U.S. GUIDELINES

SK150035 Seoul THE KOREA HERALD in English 15 Mar 87 p 2

[From the "Week in Review" column by staff reporter Chae Nam-hyon]

[Text] Will a more favorable treatment by the United States of North Korea soften Pyongyang's hostilities toward Seoul?

The South Korean government seems to have some reservations on this question. It is rather skeptical about a U.S. strategy of easing relations with Pyongyang as a means of reviving suspended inter-Korea talks.

The Department of State announced Monday that U.S. diplomats are permitted again to engage in "substantive" talks if North Koreans initiate a conversation in "neutral settings."

Seoul welcomed the U.S. gesture, a signal that Washington will offer more carrots if Pyongyang becomes less hostile to Seoul.

An official comment said Seoul supports the change in the guidelines on the conduct of U.S. diplomats, which it said is expected to "help make the 1988 Olympics successful, reduce tension on the Korean peninsula and promote inter-Korea dialogue."

A senior Ministry of Foreign Affairs official, however, said "no objection was raised" when Secretary of State George Shultz informed Minister of Foreign Affairs Choe Kwang-su of the change March 6.

Shultz flew into Seoul from Beijing, where he had held talks with China's leadership.

"It would be more accurate to say that South Korea has consented to the U.S. measure than to say it has supported the measure," the official said.

He said there is a marked difference in the perceptions of Seoul and Washington toward North Korea.

In his view, the United States believes that its well-intended action will be reciprocated by Pyongyang.

"The U.S. Government also feels pressure from liberal Americans to improve relations with North Korea," he said. "But we know North Korea better than the Americans do."

He said he does not expect North Korea to change its hostile stance in response to the permission to U.S. diplomats to have serious talks with North Koreans.

"We cannot expect North Korea to change its attitude until it renounces its scheme of communizing South Korea," he said.

He said there is a basic difference between South and North Korea in their approach to the issue of unification.

While South Korea seeks gradual improvement of inter-Korea relations for ultimate unification, he said, North Korea insists that an outright unification will solve all problems.

In addition to the change in the guidelines on the conduct of U.S. diplomats, the United States is urging China and the Soviet Union to help reduce tensions between South and North Korea.

In the wake of Shultz's talks with the Chinese leadership and Minister of Foreign Affairs Choe, China sent a delegation to Pyongyang presumably to convey the U.S. desire for improved inter-Korea relations.

Zhu Liang, head of the Chinese Party International Liaison Department, met with North Korean leader Kim Il-song and other officials.

Gaston Sigur, U.S. assistant secretary of state for East Asian and Pacific affairs, urged the Soviet Union to ease tension on the Korean peninsula when he visited Jakarta Wednesday.

Reports said U.S. Undersecretary of State Michael Armacost will take up the Korean issue when he meets with Soviet Foreign Minister Eduard Shevardnadze in Moscow early this week.

It seems to be an objective of the U.S. diplomatic activities toward North Korea and its allies to help resume inter-Korea talks and build up mutual trust.

Washington also seems to regard Chinese and Soviet mediation as vital to ensure North Korean participation in the Seoul Olympics next year.

South Korea, however, is skeptical about North Korean participation. An official, who has been involved in sports talks with North Korea, said Pyongyang has no intention to send its delegation to Seoul.

The North Koreans are making demands which the International Olympic Committee and South Korea cannot accept while trying to obstruct the Olympic Games, the official said.

The boycott by North Korea of the pre-Olympic soccer preliminary round now under way in Malaysia indicates what intention it has with regard to the Olympic Games, he said.

Another official said South Korea must call for inter-Korea talks whatever the North Korean intention is.

He said it is a "historical mission" to try to create a favorable climate for talks on eventual unification.

In this context, he said, the U.S. efforts to bring South and North Korea to a negotiating table must be appreciated by the South Korean government and people.

CONTACTS UNDERWAY TO SETTLE NKDP DISPUTE

SK150040 Seoul THE KOREA HERALD in English 15 Mar 87 p 1

[Text] Behind-the-scenes contacts are underway in the opposition New Korea Democratic Party to settle the current intraparty dispute over the so-called Yi Min-u democratization formula.

Little progress is being made, however, because neither NKDP president Yi nor the mainstream group, led by Kim Yong-sam and Kim Tae-chung, has shown any sign of backing down from their stance.

The dispute centers on whether or not the controversial formula, suggested by Yi last December, should be scrapped.

Yi demands that the two Kims endorse the seven-point proposal, asserting that it is not designed to precede negotiations over constitutional reform featuring the cabinet from of government favored by the ruling Democratic Justice Party.

De facto party leaders Kim Yong-sam and Kim Tae-chung urged Yi to scrap the seven-point formula immediately, taking note of the party's official policy of seeking direct presidential elections.

Rep. Hong Sa-duk, former party spokesman who is acting as mediator said yesterday that "with some preconditions, both sides are seeking to settle the discord." Hong, however, refused to disclose the preconditions in detail.

He made the remarks after meeting with party adviser Kim Yong-sam in the morning. He is one of the 20 NKDP lawmakers who did not sign a resolution which supports the two Kims and reconfirms their policy of seeking direct presidential elections.

The remaining 70 legislators signed the resolution, a ritual vote of no-confidence against the party president, which threatens to split the main opposition NKDP.

Yi Ki-taek, a vice president of the party who leads a minor intraparty faction, visited Kim Yong-sam at his home yesterday afternoon.

During the visit, he proposed that the two Kims and Yi meet immediately to help settle the intraparty feud.

He also met with Kim Tae-chung and party president Yi last week.

In the meantime, the proposed meeting between the two Kims and Yi is unlikely to be held at an early date as Yi reversed his earlier decision to meet the two Kims "in two or three days."

At an expanded meeting of the party's officeholders Friday, Yi said he would meet them soon to narrow their differences over his formula and clear up "unpleasant relations," in accordance with the wishes of many party lawmakers.

"If the talks with them only make things worse, there is no need for such a meeting. I will meet them when desirable results can be expected," he said in a meeting with reporters at his Samyang-dong home.

He expressed displeasure over the mainstreamers' signature collection drive and the two Kims' decision early last week not to attend party rallies for district chapter reorganization.

"I cannot understand why they (the two Kims) have launched an attack in such a manner. It is apparently aimed at demonstrating their power base in the party," he said.

"Under these circumstances, I have to ponder what the two Kims want to do in the coming days," he added.

He was apparently referring to an agreement between the two Kims to promote Kim Yong-sam as party president in the party's national convention in May.

The Sangdo-dong faction, headed by Kim Yong-sam, has called for the introduction of a "powerful" leadership to effectively cope with constitutional reform.

Kim Yong-sam said that Yi may propose to meet him at an early date. "I believe that the dispute can be settled smoothly, when the meeting is held," he said. He visited Yi at his home last Monday.

Party sources said Yi will meet Kim Yong-sam sometime this week, before holding talks with the two Kims.

Yi and the two Kims share the view that the dispute should be settled in one form or another at the earliest possible date, they said.

JAN ECONOMY MAINTAINS PACE OF EXPANSION

SK140103 Seoul THE KOREA HERALD in English 14 Mar 87 p 1

[Text] Thanks to rising demand at home and abroad, the Korean economy is continuing to expand, the Economic Planning Board (EPB) said yesterday.

In a monthly report, the EPB said production in January rose a whopping 20.6 percent over the same month last year and shipments also increased 21.3 percent, while inventories moved up a mere 0.4 percent.

Foreign and local demand is brisk, with a 26 percent increase in exports last month and a 19.4 percent rise in local sales.

Exports were brisk especially in such areas as electronics, machinery and textiles, whose year-to-year increase rates during the first two months of this year stood at 66.7 percent, 64.5 percent and 34.1 percent, respectively.

During the cited period, exports to Japan increased a surprising 47.0 percent over a year earlier and shipments to the United States rose an impressive 30.8 percent.

Exports will also likely be brisk in months to come as export letters of credit reaching the nation during the two months climbed a remarkable 36.4 percent, the EPB said.

The coincident index (CI), which reflects current business conditions, increased 0.8 percent in January, following a 0.4 percent rise in December and a 0.5 percent increase in November last year.

The cycling variable, which excludes seasonal factors from the CI, also rose 0.2 points after making no movement in December.

The leading index, which forecasts business climate two to three months ahead, also moved up 0.8 percent in January.

Investment activities are turning brisk, with a surprising 308 percent increase in the floor space of structures for industrial use given construction permits in January. Local machinery orders increased 31.3 percent and machinery import licenses issued in January soared 128.8 percent.

Due to the brisk production and investment, the jobless rate registered a seasonally-adjusted 3.3 percent, in January, compared with 4.2 percent a year earlier, the EPB said.

Because exports are increasing faster than imports, the nation's current account saw a \$622 million surplus in January, compared with a \$334 million deficit a year earlier. Imports last month increased a mere 7.2 percent from a year earlier to \$2,742 million, while exports soared 26 percent to \$2,901 million.

The rising current account surplus, however, is causing a serious liquidity situation, with a 20.1 percent growth in the total money supply in January and a 18.8 percent growth in February. Earlier, the projected growth rate was 15-18 percent.

Despite the superfluous liquidity, the rate of dishonored bill issuances in February stood at 0.11 percent, compared with 0.09 percent in the same month a year ago.

ROMANIA'S CEAUSESCU ARRIVES IN RANGOON 14 MAR

BK140927 Rangoon Domestic Service in Burmese 0630 GMT 14 Mar 87

[Excerpts] Mr Nicolae Ceausescu, president of the Socialist Republic of Romania, Madame Elena Ceausescu, and entourage arrived in Rangoon this morning by special aircraft to pay a 3-day good-will visit to the Socialist Republic of the Union of Burma at the invitation of U San Yu, president and chairman of the State Council of the Socialist Republic of the Union of Burma.

The visting president and his entourage were welcomed at Rangoon airport by U San Yu, president and chairman of the State Council of the Socialist Republic of the Union of Burma, and his wife; U Aye Ko, vice president and vice chairman of the State Council, and his wife; U Sein Lwin, secretary of the State Council, and his wife; U Maung Maung Kha, prime minister; U Tin Aung Hein, chairman of the Council of People's Justices; U Myint Maung, chairman of the Council of People's Attorneys, and his wife; Thura U Tun Tin, deputy prime minister and minister of finance and planning, and his wife; Thura U Kyaw Htin, deputy prime minister and minister of defense and his wife; U Ye Gaung, minister of foreign affairs, and his wife; U Hla Maung, Burmese ambassador to Romania, and his wife; Colonel Aung Khin, mayor of Rangoon City, and his wife; ambassadors and their wives headed by Mr Iti'el Pan, acting dean of the Diplomatic Corps in Burma and Israeli ambassador to Burma; Mr Angelo Miculescu, Romanian ambassador to Burma, and his wife and the Romanian Embassy staff; and heads of diplomatic missions in Burma. Also present at the airport were 1,300 working people including Lanzin Youth members and students from Mingaladon, Insein, and North Okkalapa who welcomed the distinguished visitors waving flags of the two countries and shouting slogans for friendship between the two countries. [passage on details on welcoming ceremony omitted]

The Romanian President and Madam Elena Ceausescu are accompanied by a 13-member delegation including Valentin Ceausescu; Dimitrie Ancuta, deputy prime minister; Ioan Totu, foreign minister; Constantine Mitea, adviser to the president; Iulian Bituleanu, deputy minister of foreign trade and international economic cooperation; Vasile Nicolcioice, protocol officer of the office of the president; Colonel [as heard] Iulian Vlad, deputy minister of interior and eight journalists.

Ceausescu, San Yu Meet 14 Mar

BK141409 Rangoon Domestic Service in Burmese 1330 GMT 14 Mar 87

[Text] Mr Nicolae Ceausescu, president of the Socialist Republic of Romania currently on a state visit to Burma, called on U San Yu, president and chairman of the State Council of the Socialist Republic of the Union of Burma, at noon today in the Credentials Hall in the People's Assembly premises.

Present on the occasion with President U San Yu were U Aye Ko, vice president and vice chairman of the State Council; U Sein Lwin, secretary of the State Council; U Maung Maung Kha, prime minister; Thura U Tun Tin, deputy prime minister and minister of finance and planning; Thura U Kyaw Htin, deputy prime minister and minister of defense; U Ye Gaung, minister of foreign affairs; U Hla Maung, Burmese ambassador to Romania; Colonel Aung Myint Baw, director general of the Office of the President; and U Aung Thant, director general of the Protocol Department of the Foreign Ministry.

Present with President Ceausescu were Madame Elena Ceausescu; Mr Valentin Ceausescu; Mr Dimitrie Ancuta, deputy prime minister; and Mr Ioan Totu, foreign minister.

Banquet Held 14 Mar

BK141411 Rangoon Domestic Service in Burmese 1330 GMT 14 Mar 87

[Text] U San Yu, president and chairman of the State Council of the Socialist Republic of the Union of Burma, and his wife hosted a banquet this evening at 1900 in honor of Romanian President Nicolae Ceausescu, Madame Elena Ceausescu, and their entourage in the reception hall in the People's Assembly premises.

The banquet was attended by U Aye Ko, vice president and vice chairman of the State Council, and his wife; U Sein Lwin, secretary of the State Council, and his wife; members of the State Council and their wives; U Maung Maung Kha, prime minister; members of the Council of Ministers; U Tin Aung Hein, chairman of the Council of People's Justices; members of the Council of People's Justices; U Myint Maung, chairman of the Council of People's Attorneys, and his wife; members of the Council of Attorneys; members of the Council of People's Inspectors; deputy ministers; U Hla Maung, Burmese ambassador to Romania, and his wife; Mr Iti'el Pan, acting dean of the Diplomatic Corps and Israeli ambassador to Burma; vice chiefs of staff of the armed forces; and senior civilian and military officials.

Ceausescu, Ne Win Meet

BK150745 Rangoon Domestic Service in Burmese 0630 GMT 15 Mar 87

[Text] U Ne Win, chairman of the Burma Socialist Program Party [BSPP], visited the State Guest House at 0900 today and called on Mr Nicolae Ceausescu, president of the Socialist Republic of Romania, who is on a goodwill visit to Burma at the invitation of U San Yu, president and State Council chairman of the Socialist Republic of the Union of Burma.

Also present at the meeting between U Ne Win and Mr Nicolae Ceausescu were Madame Elena Ceausescu and Foreign Affairs Minister U Ye Gaung.

At 1035, the BSPP chairman bid farewell to Mr Nicolae Ceausescu and left the State Guest House.

Deputy Prime Ministers Meet

BK151435 Rangoon Domestic Service in Burmese 1330 GMT 15 Mar 87

[Text] Deputy Prime Minister Dimitrie Ancuta and members of the Romanian delegation, who accompanied President of the Socialist Republic of Romania Nicolae Ceausescu on a goodwill visit to Burma, held a meeting with a Burmese delegation headed by Thura U Tun Tin, deputy prime minister and minister of planning and finance, at the Foreign Ministry annex at 0900 today.

Present together with Deputy Prime Minister Thura U Tun Tin at the meeting were U Sein Tun, minister of energy; U Khin Maung Gyi, minister of trade; U Kyaw Myint and U Nyunt Maung, deputy ministers of planning and finance; and U Hla Maung, Burmese ambassador to Romania.

Deputy Prime Minister Dimitrie Ancuta was accompanied by Mr Iulian Bituleance, deputy minister of foreign trade and international economic cooperation; and Mr (?Jon Minculete), deputy director.

Ceausescu, San Yu Meet 15 Mar

BK151430 Rangoon Domestic Service in Burmese 1330 GMT 15 Mar 87

[Text] A meeting between U San Yu, president and State Council chairman of the Socialist Republic of the Union of Burma, and Mr Nicolae Ceausescu, president of the Socialist Republic of Romania, was held at the conference of the State Council inside the People's Assembly compound at 1600 today.

Present, together with President U San Yu, were U Aye Ko, vice president and vice chairman of the State Council; U Sein Lwin, secretary of the State Council; U Maung Kha, prime minister; Thura U Tun Tin, deputy prime minister and minister of planning and finance; Thura U Kyaw Htin, deputy prime minister and minister of defense; U Ye Gaung, minister of foreign affairs; U Hla Maung, Burmese ambassador to Romania; Colonel Aung Myint Baw, director general of the President's Office; and U Aung Thant and U Ohn Kyaw, directors general of the Foreign Affairs Ministry.

Romanian President Mr Nicolae Ceausescu was accompanied to the meeting by Madame Elena Ceausescu; Mr Dimitrie Ancuta, deputy prime minister; Mr Ioan Totu, foreign minister; Mr Constantine Mitea, adviser to the Romanian president; Mr Angelo Niculescu, Romanian ambassador to Burma; and Mr Iulian Bituleanu, deputy minister of foreign trade and international economic cooperation.

Ceausescu Departs 16 Mar

BK160725 Rangoon Domestic Service in Burmese 0630 GMT 16 Mar 87

[Excerpt] Mr Nicolae Ceausescu, president of the Socialist Republic of Romania; Madame Elena Ceausescu; and members of the Romanian delegation who paid a 3-day good-will visit to Burma from 14 March at the invitation of U San Yu, president and State Council chairman of the Socialist Republic of the Union of Burma, left Rangoon Airport by a special plane at 1030 today.

The visiting president and his party were seen off at Rangoon Airport by U San Yu, president and State Council chairman, and his wife; U Aye Ko, vice president and vice chairman of the State Council, and his wife; U Sein Lwin, State Council secretary, and his wife; U Maung Maung, prime minister; U Tin Aung Hein, chairman of the Council of People's Justices; Tun U Myint Maung, chairman of the Council of People's Attorneys, and his wife; Thura U Tin, deputy prime minister and minister of planning and finance, and his wife; Thura U Kyaw Htin, deputy prime minister and minister of defense, and his wife; U Ye Gaung, minister of foreign affairs, and his wife; U Hla Maung, Burmese ambassador to Romania, and his wife; Colonel Aung Khin, mayor of Rangoon City, and his wife; foreign ambassadors and their wives led by Mr Iti'el Pan, acting dean of the diplomatic corps in Burma and Israeli ambassador; Mr Angelo Miculescu, Romanian ambassador to Burma and staff members of the Romanian Embassy; and heads of diplomatic missions in Burma. [passage omitted]

PRACHEACHON INTERVIEWS USSR'S SHEVARNADZE

BK140825 Phnom Penh SPK in French 0445 GMT 14 Mar 87

[Text] Phnom Penh, 13 Mar (SPK) -- E.A. Shevardnadze, Politburo member of the CPSU Central Committee and minister of foreign affairs of the USSR, answered questions put by the journal PRACHEACHON, organ of the KPRP Central Committee, during his visit to the PRK. Here are the questions and answers:

Question: Comrade Minister, what positive changes have taken place in the Asia-Pacific region as a result of the efforts of the USSR aimed at implementing the proposals put forward in the speech of M.S. Gorbachev in Vladivostok? In your opinion, what else can we do in order to advance toward the establishment of a security system in Asia?

Answer: First of all, changes have taken place in the understanding and perception of the situation in the region and in its philosophical and political interpretation. If it was not possible to raise such questions before, it is possible and necessary to do so now. It is a matter of wisdom and acumen on the part of the political man, of his skill to seize the right moment and bring forth the long-awaited idea. It is a matter of his goodwill and his readiness to implement it.

In his Vladivostok speech, M.S. Gorbachev, general secretary of the CPSU Central Committee, expressed an idea whose time had come. The idea of creating a system of security in Asia, formulated in Vladivostok, reflects the objective necessity and the possibility of ensuring peace and stability in this region. A step that is not simple by its nature is to clearly formulate "the conditions of the task," to present the principles manner in which it is to be accomplished.

If the given solutions, appreciation, and conclusions are widely accepted -- and that exactly was what happened to the Vladivostok initiative -- we can talk about the success of the new presentation of this important international problem, or more precisely of a mine of very important current problems. That is the beginning of the progress: We have laid the first stone for serious thinking concerning the character that the situation in the Asia-Pacific can, and must, have. Moreover, we have already discussed the concrete components of such a possible system.

I would say that M.S. Gorbachev's Vladivostok speech has brought a new reality into the international situation. I want to draw attention to one fact. There were no proposals in Vladivostok that we would consider as perfect and that we would seek to impose on others. No, the logic of the design itself is something else altogether. In the regions of the Indian Ocean and Pacific there is often something that provokes tension and creates the danger of a critical and potentially uncontrolled situation. But even without that, the state of things prevents the development of an active cooperation and joint action in the conditions of peace, stability, and tranquility. If it is like that, all of us, and first of all the countries in the region, must define for ourselves whether we want to maintain this situation or should we begin to create an atmosphere in which all states might feel secure and could largely develop mutually beneficial relations. The answer is clear. Now, the road leading to that goal is complicated and varied. We must draw it up through the common efforts of the states in the region. With those who agree with us even only in principle, we are ready to proceed with a broad exchange of views in order to subsequently finalize a stable and active dialogue. We must listen to each other, approach the position of each side without preconceived ideas and begin to work out a mutually acceptable understanding.

The fact that we talk about it already constitutes a great performance. I have become convinced of that during my travels to countries in the region. When, in one way or another, the idea catches the minds, doubtlessly, with the passing of time, it will follow a free practical course. We are sure of that.

Question: How do you see the situation in Southeast Asia and the prospects for normalization within the context of the struggle for world peace and security?

Answer: The situation is very complex, but not hopeless. Furthermore, we now see a percentage, so to speak, of hope higher than yesterday. I come to this conclusion after my visit to Australia and ASEAN countries and after talks with our friends in Laos and Cambodia. Without any doubt, more favorable conditions have been created for dialogue in view of the normalization of the situation in Southeast Asia and the search for mutually acceptable solutions for existing problems. With that in view, we highly appreciate the realistic, constructive, and flexible position of the socialist countries of Indochina and their line in view of establishing contacts and understanding with the ASEAN states and China. We appreciate that the PRK leaders act with the highest degree of responsibility in conformity with the interests of the entire Cambodian people when they declare themselves ready for dialogue on national reconciliation with the forces which, for the time being, are in opposition to the legitimate government of Cambodia. That is a wise political line, and we support it. There is no doubt either that the implementation of the idea of Vietnam, Cambodia, and Laos regarding the creation of a zone of peace, cooperation, and stability in Southeast Asia will bring a great and positive contribution to the struggle for world peace and security.

Question: Since the founding of the PRK, already more than 8 years ago, the Soviet Union has not ceased to give multiform aid and political support to People's Cambodia. In your opinion, what are the present state and perspectives of Soviet-Cambodian relations?

Answer: Shortly after the overthrow of the unpopular Pol Pot clique, I had the opportunity to meet the leaders of the new regime in People's Cambodia. I remember that I was upset by the conditions in which they had to start everything over again: The country was completely in ruin and almost lifeless. After learning of terrible things, of the materiel and documents collected at Tuol Sleng, I feel no less shocked today. I think that the Soviet aid and support to People's Cambodia were not limited and never will be limited to scientific and technical, trade and economic cooperation. It is necessary to morally and materially support a country which has survived tragedy and to give back to it its faith so that its strengths will not be drained, the spirit of its people will not die, and it will overcome everything. It is in this way that our cooperation began at the level of human hearts. Eight years later, we now see the result. To me this can be seen in the life of Phnom Penh: the busy streets, animated crowds, many happy faces. Were it not for the terrible years of genocide, the country's wounds left behind by the barbarous aggression of the United States, and the efforts presently made to push back the attacks of counterrevolution, People's Cambodia would have advanced in more and more steady steps. But, as people say, everything is for the future. And the prospects of the development of our bonds look very good to me. Comrades M.S. Gorbachev and Heng Samrin determined them during their meeting in Moscow in March 1986. It was then that the strong resolution of the two sides to further deepen cooperation between the CPSU and KPRP and between the Soviet Union and the PRK was reaffirmed. We must lay stress on the qualitative improvement of our economic, scientific, and technical cooperation. It is exactly here that we see the basic strengths of the Cambodian economy which, in figurative terms, has a big role in the resolution of many problems, and not only internal ones. I am convinced that we will thereby succeed in settling this task together.

PASASON INTERVIEWS SHEVARDNADZE ON ASIAN TOUR

BK141015 Vientiane KPL in English 0923 GMT 14 Mar 87

[Text] Vientiane, March 14 (KPL) -- During his official visit to Laos on March 8 to 10, E.A. Shevardnadze, Politburo member of the CPSU CC, foreign minister of the USSR, gave an interview to the daily PASASON.

Answering a question on Lao-Soviet relations, E.A. Shevardnadze mentioned two aspects: one between the two peoples and the other between the two parties and governments.

He observed that in the first aspect, the Lao and Soviet peoples appreciate and share feelings of deepest friendship for one another.

As far as the official ties are concerned, the Soviet foreign minister said the parties and governments of the two nations respect and fully trust each other, and this has been realised, said E.A. Shevardnadze, thanks to the personal efforts of the two parties' general secretaries, M. Gorbachev and Kaysone Phomvihan.

Regarding the foreign policies of Laos and the USSR, E.A. Shevardnadze said the foreign ministries of the two countries enjoy close contact through an extensive exchange of information and consultations.

The quality of the Lao-Soviet economic ties needs to be improved, said the Soviet foreign minister. He went on to note that these days, the efficiency and actual realisation of the ties should be stressed.

E.A. Shevardnadze said:

Friendship and co-operation should not only be taken abstractly and theoretically but should be realized through actually daily activities so that the substantial economic achievements can be obtained.

Tgehlofty goal of our nations and socialism demand of us to fulfill this task, and we must, despite everything, fulfill it, concluded E.A. Shevardnade on the Lao-Soviet relations.

Asked to assess the results of his talks with the leaderships of Thailand, Indonesia and Australia, in particular, with regard to the turning of Southeast Asia into a zone of peace, security, and neighborly co-operation, E.A. Shevardnadze said that all held the view that this endeavour was not only a necessity meeting our aspiration, but also something that can be materialised.

The Soviet foreign minister pointed out, however, that there still existed differences regarding the norms, nature and the steps to be taken as well as the size and boundaries of such zone.

He added that despite everything, the idea of creating a zone of peace, security and co-operation has received wide support from the ASEAN public which aspires to co-operate with the Indochinese countries. And this trend was also seen at the talks with some ASEAN officials. Here he referred to his discussion with the Thai foreign minister who pointed out that the increased economic and trade volume with Laos can be considered as conducive to creating peace and good neighborliness.

We have reaffirmed at all places that the settlement of the Kampuchea problem is the affair of the Kampuchea people themselves, said E.A. Shevardnadze answering a question on the so-called Kampuchean problem. He pointed out that the other group of countries must frankly and sincerely take into account the constructive and reasonable proposal put forth by the Indochinese countries for dialogue between the groups concerned.

There is a legal government in Kampuchea, and it has undertaken correct steps toward national reconciliation, and in this connection, the USSR foreign minister said that solutions to any difficulties may not always [be] reached simultaneously, and that a combination of positive factors may create a new quality. We do not divert the course of our research from the problem, but we have clearly expressed our attitude on the measures to be taken to achieve the goal, he stressed.

Referring to Australian and Indonesian media reports, E.A. Shevardnadze said: Though we have raised these measures for the settlement, we will never permit ourselves to force other sovereign states to accept them. He said that viewpoints on the Kampuchean problem are expected to be exchanged in detail during the forthcoming visit by the Thai foreign minister to the USSR.

FRIENDSHIP, COOPERATION WITH USSR HAILED

BK131316 Vientiane Domestic Service in Lao 1200 GMT 11 Mar 87

[Commentary: "Lao-Soviet Fraternal Relations of Friendship and All-Round Cooperation Develop Effectively"]

[Text] The 3-day official friendship visit to our LPDR by Comrade Eduard Shevardnadze, Politburo member of the CPSU Central Committee and foreign affairs minister of the Soviet Union, from 8 to 10 March has brought to our Lao people of various tribes the close solidarity and friendship from the fraternal Soviet people. Following the visit, the solidarity; relations of friendship; and all-round cooperation between the two parties, states, and peoples of the two countries -- Laos and the Soviet Union -- have been enhanced, developed, promoted, and expanded in depth.

During the visit, Comrade Eduard Shevardnadze and his delegation held consultative meetings with our Lao leaders on many issues, including those concerning relations and all-round cooperation between the two countries as well as international issues. Each issue is significant and was discussed in an atmosphere full of mutual understanding all profound solidarity between the two sides. These have clearly been shown in the contents of the joint Lao-Soviet communique issued following the visit, which emphasized the efficient development of relations of friendship between the LPRP and the CPSU and between the Soviet Union and the LPDR. The two sides have agreed with each other on the promotion, expansion, and further advance in depth of the broad relations for the benefit of the peoples of both countries and in the interests of the cause of peace and socialism.

The communique also stressed the specially great significance of the various agreements reached following the meetings on various occasions between Comrade Mikhail Gorbachev, general secretary of the CPSU Central Committee, and Comrade Kaysone Phomvihane, general secretary of the LPRP Central Committee and chairman of the Council of Ministers of the LPDR.

Regarding international issues, the two sides have reached complete unanimity on the present world situation. It has deteriorated and become tense, thus posing a danger to mankind because of the adventurous policy of the imperialist aggressor circles. They have tried to gain military superiority and have instigated and created disputes and acts of interference in the internal affairs of sovereign states. Such a policy does not conform with the reality of the present world situation because it runs counter to the basic aspirations of the various nations and threatens danger and disaster to mankind. This is why the statement of Comrade General Secretary Mikhail Gorbachev on the signing of an agreement on medium-range missiles is considered a significant new step to free the world from the threat of nuclear danger.

With regard to the Asia-Pacific region, the world situation remains tense because the U.S. imperialist ruling circles and their allies have tried to make various states in this vast region in the world confront each other militarily and politically. The only way to turn the Asia-Pacific region into a region of peace is to implement various measures to not accumulate nor expand nuclear weapons in the region. Through these measures, this region can be turned into one of peace, neighborliness, and cooperation. In addition, in the meeting on this occasion, our Laos and the Soviet Union have reached an unanimity on various issues that are considered main points in the world that must be peacefully settled through negotiations.

The success of this friendship visit to ~~the~~ LPDR by the high-level Soviet delegation has fruitfully contributed to the further development and daily strengthening of the close fraternal friendship and all-round cooperation between Laos and the Soviet Union.

GDR FOREIGN MINISTER FETED IN VIENTIANE 11 MAR

BK120300 Vientiane Domestic Service In Lao 0000 GMT 12 Mar 87

[Text] Yesterday evening Comrade Phoun Sipaseut, member of the LPRP Central Committee Political Bureau and minister of foreign affairs of the LPDR, hosted a banquet in honor of Comrade Oskar Fischer, member of the Socialist Unity Party Central Committee and foreign minister of the GDR, and his party currently paying an official friendship visit to the LPDR.

Attending the banquet were members of the LPRP Central Committee, and the deputy ministers and several high-ranking cadres of the foreign affairs ministry. Comrade Dietrich Jarck, GDR ambassador extraordinary and plenipotentiary to Laos, was also invited to attend the banquet.

At the banquet, which was held in an atmosphere of friendship, Comrade Phoun Sipaseut and Comrade Oskar Fischer took turns to deliver speeches.

Fischer Speaks at Banquet

BK130545 Vientiane Domestic Service in Lao 0000 GMT 12 Mar 87

[Speech by Oskar Fischer, member of the SED Central Committee and foreign minister of the GDR, delivered at the 11 March Vientiane banquet--recorded in German fading in Lao translation]

[Text] Beloved Comrade Phoun Sipaseut,

Beloved comrades and friends;

First of all, I would like to thank you for according us a warm welcome to your beautiful country. We will remember our meeting with you, comrades, for a long time for it occurred in an atmosphere of our friendship and fraternal cooperation.

Comrade Phoun Sipaseut may remember with satisfaction a visit by our party delegation to the liberated zone from which the Lao people in the past waged the struggle for national independence and social progress between 1972 and 1974. The German communists support the national liberation struggles of the Indochinese peoples at all times. Certainly, we will continue this tradition of militant alliance which cannot be destroyed by anyone. Laos has inherited the aftermath of colonialism, thus making it one of the poorest countries in the world. Nevertheless, under the leadership of the LPRP, the LPDR has managed to score great victories in all spheres of social life. The LPDR has become a country that has been highly valued in the international arena. Over the past more than 11 years following the establishment of the LPDR, Laos has carried out a profoundly revolutionary change. The Lao working people have scored numerous achievements in materializing the resolutions adopted by the LPRP in building the foundation for developing the national economy and upgrading the Lao people's living conditions. Everyone clearly realizes that the Lao working people are greatly striving to score achievements.

The people of our socialist state of Germany have strived to score brilliant achievements in all spheres as well. They fully realize that their work is the contribution to the all-round consolidation of their fatherland, to the cohesion of the socialist system, and to the defense of the world. The fruits gained from the realization of the resolutions adopted at the Eleventh SED Congress show that we are following a correct path. At the same time, our happiness is also derived from the great and glorious successes of the fraternal parties, including the LPDR, as well as the ever-strengthening mutual cooperation among the fraternal socialist countries. At the third plenary session of the SED Central Committee, Comrade Erich Honecker emphasized that so long as the socialist system remains strong, peace will be ensured. A popular saying in our country says: Each work place is also a fighting place for peace. We are firmly convinced that here in friendly Laos, you, comrades, must entertain the same thoughts with great satisfaction. We reaffirm that during our talks we will express our identical views on all issues. Our most urgent task at present is to defend peace. This is because the U.S. imperialists have continued their "Star Wars" program. The need to check the danger of nuclear holocaust is not limited to any particular region in the world, but it calls on all socialist forces and intelligent and reasonable forces throughout the world to do their utmost to resolve this problem. With regard to this, the GDR resolutely supports the initiative advanced by Comrade Mikhail Gorbachev, general secretary of the CPSU Central Committee, aimed at turning our world into a nuclear-free one and ensuring equal security for all countries. The Reykjavik talks clearly showed that there is a principled way to settle this question. The new initiative of the Soviet Union advanced to the United States is to eliminate all Soviet and U.S. medium-range nuclear missiles in Europe. This proposal will create a new situation in which the number of nuclear weapons will not only be frozen but will also be reduced and counted for the first time. It is now time for the other side to show that it has a responsibility to find ways to resolve the problem and to drastically follow the path of arms reduction henceforth.

We have recognized our responsibility and we will do our utmost to realize it. The call of Erich Honecker to the FRG chancellor was also aimed at resolving the same problem. With regard to this, we will continue pursuing negotiations with all intelligent and reasonable peace-loving forces. That is why we regard it as important to begin resolving the problem of peace and security in the Asia-Pacific region in accordance with the socialist foreign policy.

The creative step taken by the LPDR together with the SRV and the PRK is aimed at restoring this region to normalcy and contributing effectively to the strategy of safeguarding the peace of the socialist countries. This step conforms to the fundamental interests of the people in Southeast Asia. We firmly believe that the initiative advanced by the LPDR, the SRV, and the PRK to turn Southeast Asia into a zone of peace, stability, and cooperation will become more resounding and powerful in the activities of the politicians responsible for this region.

We are of the view that relations between our two sides have fruitfully developed to our satisfaction. This development is not only significant for our two sides. We have joined hands in many spheres to implement various resolutions reached by the top leaders of our two parties and states -- Comrade Erich Honecker and Comrade Kaysone Phomvihane. The treaty of friendship and cooperation signed in September 1982 is a compass guiding us along the correct way. The many-faceted cooperation between our two sides has been fruitful. For example, several hundred Lao students have efficiently continued their studies in the GDR. Many production laboratories in Laos have been set up with GDR assistance. Many forms of cooperation of mutual interests have been developed more strongly. The Lao working people have coordinated with GDR experts to build many important economic projects.

In brief, the success of the cooperation between the two sides grows stronger with every passing day, thanks to our two countries' adherence to the socialist system; the consolidation of the alliance between the SED and the LPDR, which cannot be destroyed by anyone; the fraternal friendship and solidarity between our two countries and peoples; and our contributions to safeguarding peace.

Phoun Sipaseut Meets Fischer

BK121035 Vientiane KPL in English 0901 GMT 12 Mar 87

[Text] Vientiane, March 12 (KPL) -- Phoun Sipaseut, Politburo member of the LPRP CC, vice-chairman of the Council of Ministers and minister of foreign affairs of the Lao PDR, met here today with Oskar Fischer, member of the Socialist Unity Party of Germany Central Committee, foreign minister of the GDR and head of the visiting GDR delegation.

During the talks full of fraternal friendship, the two sides briefed each other on the situation in their respective countries and exchanged views on international issues of mutual concern. They also reviewed their cooperation activities in the past and discussed ways to further promote the cooperation between the two countries.

Also present at the meeting were Khamphai Boupha, member of the LPRP CC and first deputy foreign minister.

GDR Ambassador Dietrich Jarck was also on hand. The same day the GDR foreign minister laid a wreath at the memorial to the revolutionaries fallen for the cause of national liberation. He was accompanied by Phoun Sipaseut, Khamphai Boupha and Soulivong Phasitthidet.

Kaysone Phomvihan Meets Fischer

BK141021 Vientiane KPL in English 0915 GMT 14 Mar 87

[Text] Vientiane, March 14 (KPL) -- Kaysone Phomvihan, general secretary of the LPRP CC, chairman of the Council of Ministers, received here yesterday Oskar Fischer, member of the Socialist Unity Party of Germany (SED) CC, minister for foreign affairs of the GDR, on a current visit to Laos.

The GDR foreign minister conveyed, on the occasion, warm greetings from Erich Honecker, general secretary of the SED, chairman of the State Council of the GDR, to the Lao party and state leader. Oskar Fischer said that the GDR supported the foreign policy of the Lao PDR as well as that of Vietnam and Kampuchea.

The policy is aimed, he said, at creating neighbourly relations with other SEA countries for the benefits of peace, stability and cooperation as spelled out in the proposal of August 1986 by the Conference of Indochinese foreign ministers.

O. Fischer hailed the successes scored by the Lao people in their tasks of national safeguarding and socialist building in the line with the resolution of the 4th party congress.

K. Phomvihan, on the other hand, hailed the achievements gained by the GDR people in the materialisation of the resolutions of the 11th SED congress. He praised the peace policy of the GDR, especially the joint GDR-Czechoslovak initiative regarding the creation of a chemical weapon-free zone and a nuclear-free corridor in Europe.

The Lao leader, in addition, highly valued the GDR's efforts to have good neighbourly relations with the FRG.

K. Phomvihan sent greetings to Erich Honecker and best wishes to the GDR people in the implementation of the 11th SED Congress resolutions.

During the cordial talk the two sides (?hailed) the Soviet statement of January 15, 1986, the Vladivostok statement on July 28, 1986 concerning the Asian and Pacific region, and the just stand of the Soviet Union at the Reykjavik meeting.

The host and guest expressed satisfaction over the incessant development of the cooperation between the two countries based on the friendship and cooperation treaty signed in 1982.

The meeting proceeded in an atmosphere of fraternal friendship and unanimity of views on all issues raised.

Also present at the meeting was Phoun Sipaseut, Politburo member of the party CC, foreign minister of the Lao PDR. GDR Ambassador Dietrich Jarck was also present.

Honecker Message Delivered

LD131624 East Berlin ADN International Service in German 1441 GMT 13 Mar 87

[Text] Vientiane, 13 Mar (ADN) -- The treaty on friendship and cooperation between the GDR and the Lao People's Democratic Republic [LPDR] has proved itself a stable basis for the beneficial shaping of bilateral relations. At the same time it shows many prospects for their deepening. This was emphasized by Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR State Council, in a personal message to Kaysone Phomvihan, general secretary of the Lao People's Revolutionary Party [LPRP] Central Committee and chairman of the Council of Ministers of the LPDR. Together with cordial greetings the document was handed to the Laotian statesman by GDR Foreign Minister Oskar Fischer in Vientiane Friday.

The GDR will continue to give all possible solidarity support to the Laotian fraternal people and do everything to steadily deepen the close fraternal relations for the benefit of the two peoples in the interest of safeguarding peace and strengthening socialism, the message continues.

Faced with the dangerous aggravation of the international situation caused by the arms drive policy of U.S. imperialism, the further strengthening of socialism and the specific development of cooperation of the socialist fraternal countries is decisive for the preservation and consolidation of peace, the most important task of the present, Erich Honecker underlined. The GDR supports the Soviet initiative for ending the arms race and for disarmament, for solving global and regional problems through negotiations.

In this connection the GDR welcomes the dialogue policy of the LPDR as an important contribution to implementing the socialist peace strategy in southeast Asia, changing this region into a zone of peace, stability, and cooperation. This policy was affirmed in the proposals of the latest conferences of the foreign ministers of the three states of Indochina which aim at a political settlement of all contentious issues in that region.

Kaysone Phomvihan asked the foreign minister to convey to Erich Honecker best greetings and thanks for the warm-hearted message. Relations between the LPRP and the SED are characterized by firm trust, mutual understanding, and effective mutual support, he said. State relations are making good progress, could be developed further, and have a promising future.

The general secretary praised the GDR's peace policy which he assessed as an effective part of the socialist peace offensive. Socialism is demonstrating strength and constructiveness on all sections of the front where security and peace are fought for.

Kaysone Phomvihan spoke about the development in Laos and the successful efforts of the Laotian people for consolidating independence. Much attention must be paid to economic development. Peace is needed above all in order to make still faster progress. Therefore, Laos conducts political dialogue, is looking for a peaceful balance of interests with its neighbors, and is in favor of replacing confrontation in the international arena with peaceful coexistence and cooperation.

Despite all the difficulties stemming from the colonial past, the country has developed step by step. The people's living standards are improving gradually to the extent in which the resolutions of the fourth party congress of the LPDR can be realized. The Laotian people are optimistic since they are able to rely on the proven solidarity of reliable friends, both in the region itself and in far-away countries such as the GDR. The talk was attended by Foreign Minister Phoun Sipaseut.

Fischer Departs 14 Mar

BK140821 Vientiane Domestic Service in Lao 0500 GMT 14 Mar 87

[Text] Comrade Oskar Fischer, member of the SED Central Committee and foreign minister of the GDR, and his delegation left Vientiane by special plane this morning after concluding an official friendly visit to the LPDR at the invitation of the LPRP Central Committee and the LPDR Government.

On hand to cordially farewell Comrade Oskar Fischer at the airport were Comrade Phoun Sipaseut, member of the LPRP Central Committee Political Bureau, vice chairman of the Council of Ministers, and minister of foreign affairs; Comrade Khamphai Bouphe, member of the party Central Committee and first deputy foreign minister; Comrade Soulivong Phasitthidet, deputy foreign minister; and senior cadres of the ministry.

Also present at the airport were Comrade Dietrich Jarck, GDR ambassador extraordinary and plenipotentiary to Laos; Comrade Nguyen Xuan, SRV ambassador extraordinary and plenipotentiary to Laos; and Comrade Nguon Phansiphon, PRK ambassador extraordinary and plenipotentiary to Laos, along with senior officials of the GDR Embassy.

During his 4-day visit to the LPDR, Comrade Oskar Fischer laid a wreath at the monument of revolutionary combatants, and paid a courtesy call on Comrade Kaysone Phomvihane, general secretary of the LPRP Central Committee and chairman of the Council of Ministers. He also met and held talks with Comrade Phoun Sipaseut and visited the revolutionary museum, the Pak Pasak vocational school, a plywood factory, and the Phakeo and That Louang temples. Comrade Oskar Fischer and his party were warmly welcomed wherever they went.

STATEMENT ISSUED ON GDR FOREIGN MINISTER'S VISIT

BK141556 Vientiane Domestic Service in Lao 1200 GMT 14 Mar 87

["Statement on the Visit to Laos by Comrade Oskar Fischer, Foreign Minister of the GDR" — date not given]

[Text] On 14 March, Comrade Oskar Fischer, member of the Social Unity Party of Germany [SED] Central Committee and foreign minister of the GDR, ended his visit to the LPDR. Comrade Fischer paid an official friendship visit to the LPDR from 12 to 14 March at the invitation of the LPDR Government. During his visit to the LPDR, Comrade Fischer laid a wreath at the War Memorial of the Lao People's Revolutionary Fighters and paid a courtesy call on Comrade Kaysone Phomvihane, general secretary of the LPRP Central Committee and chairman of the LPDR Council of Ministers. They held cordial talks together.

Comrade Phoun Sipaseut, member of the LPRP Central Committee Political Bureau and foreign affairs minister of the LPDR, held talks with Comrade Fischer. The two sides exchanged views on the internal situation in each country, stressed bilateral relations and cooperation, and exchanged views on current international issues. The talks proceeded in an atmosphere of intimacy, understanding, and unity on all issues raised. Comrade Oskar Fischer informed the Lao side of the implementation of the resolutions adopted by the 11th SED Congress in the GDR.

Comrade Phoun Sipaseut informed the guest on the realization of the resolutions adopted at the Fourth LPRP Congress in the LPDR.

The two sides expressed the fullest satisfaction on the results of the relations and cooperation between the LPDR and the GDR and unanimously agreed to further enhance and strengthen the cooperation between the parties, states, and peoples of the two countries -- the LPDR and the GDR -- for the cohesiveness of the socialist community.

Exchanging views on international issues, the two sides expressed concern toward the increasingly confusing and tense international situation which is the result of the warmongering policy of the imperialist forces who vigorously promote the arms race and the militarization of outer space.

In light of this development, the two sides voiced their support for the constructive initiatives of the Soviet Union to ensure peace and international security, including the 15 January proposal of Comrade General Mikhail Gorbachev and the 28 July 1986 proposal advanced in Vladivostok. The two sides were completely unanimous on the stand of the Soviet Union expressed at the Soviet-U.S. summit in Reykjavik.

The Lao side strongly supports the activities of the GDR in the international arena in order to create an atmosphere of mutual trust, security, and cooperation in Europe and the world, including the initiative of the GDR on the creation of a chemical-weapon-free and nuclear-free zone in Europe. Comrade Phoun Sipaseut sincerely hailed the recent proposal advanced by Comrade Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR State Council, to FRG Chancellor Helmut Kohl to pay attention to the historic occasions, such as Comrade Gorbachev's 28 February 1987 statement on the urgent signing of a separate agreement on medium-range missiles in which the GDR stands ready to reach an agreement with the Soviet Union to remove medium-range missiles from GDR territory so as to advance along the path toward a nuclear-free world.

The GDR highly values the foreign policy of peace, independence, friendship, and socialism of the LPDR and the initiatives of the three Indochinese countries to normalize the relations among the countries in Southeast Asia with a view to turning this region into a zone of peace, stability, and cooperation, especially the proposal made known in August 1986 at the conference of the foreign ministers of Laos, Vietnam, and Cambodia.

The LPDR and the GDR support the struggles of the peoples in Asia, Africa, and Latin America against imperialism, colonialism and neocolonialism, and racism and for national independence and sovereignty and world peace.

Comrade Oskar Fischer expressed sincere thanks for the warm welcome accorded to him during his visit to the LPDR and extended an official invitation to Comrade Phoun Sipaseut to visit the GDR at an appropriate date.

AFP REPORTS FURTHER ON 9 MAR BOMBING

BK130620 Hong Kong AFP in English 0609 GMT 13 Mar 87

[Text] Bangkok, March 13 (AFP) -- A man killed when a bomb exploded in Vientiane during a visit there by Soviet Foreign Minister Eduard Shevardnadze had planted the weapon, a Laotian Embassy spokesman said here Friday. The man responsible for Monday's [9 March] blast was a "puppet of the foreign reactionaries", the spokesman said without elaborating. It was the first official comment by Laos on the identity of the perpetrator of the attack. "This accident is a manoeuvre designed to make foreigners think we are not a peaceful country. Mr Shevardnadze's visit was in fact a great success," the spokesman said.

CABINET RESHUFFLE SAID LIKELY ON PREM'S RETURN

BK130951 Bangkok SIAM RAT in Thai 13 Mar 87 pp 1, 16

[Text] According to a report from Government House, the possibility of a Cabinet reshuffle after General Prem Tinsulanon returns from abroad is quite high. The Community Action and United Thai Parties will be included in the new Cabinet lineup. The new government will look like a national government because only Prachakon Thai, the United Democracy, and the Group of 19 will be left in the opposition.

The details of the high-level consultations on this matter are not available. The precondition set by Narong Wongwan for his United Thai Party to join the coalition is that he must be given the post of agriculture and cooperatives minister, while Bunchu Rotchanasathian asks to be appointed as the new finance minister.

The source said: "This is the work of the military and it is unlikely that there can be any deviation from the line it has drawn." The source further said that Narong Wongwan has maintained close relations with Gen Prem and has never been involved in any scandal or at least has always managed to keep himself out of trouble and added: "Both want to join the government, and Gen Prem also wants to have them in his coalition."

The Social Action and Ratsadon Parties have not caused any problems for the coalition. Meanwhile, an effort is under way within the Democrat Party to exclude Agriculture Minister Gen Han Linanon; Deputy Agriculture Minister Suthep Thuaksuban; Science, Technology, and Energy Minister Banyat Banthaththan; and Deputy Science, Technology, and Energy Minister Phichit Rattakun from the new Cabinet.

The new cabinet reshuffle is reportedly the result of the bickering within the Democrat Party. Although the Social Action Party has never caused any trouble, the change could also affect some of its ministers such as Commerce Minister Montri Phongphanit, who might decide to quit before the reshuffle is made.

The report said: "Gen Prem will have to drop Finance Minister Suthi Singsane, who was appointed to the portfolio under the quota, in the next reshuffle because of the latter's involvement in the distillery lease agreement controversy."

Reshuffle Reports Denied

BK140055 Bangkok THE NATION in English 14 Mar 87 pp 1, 2

[Excerpts] Several Cabinet members accompanying Prime Minister Gen Prem Tinsulanon on his overseas trip yesterday denied reports of an impending Cabinet reshuffle to include two opposition parties into the government coalition.

A Cabinet member disclosed in Bangkok earlier that negotiations between Prem's representatives and leaders of the Community Action Party (CAP) and Ruam Thai Party started before Prem left the country last week.

The objective of co-opting these two opposition parties is to weaken the Opposition bloc, the Cabinet member said. (CAP has 14 MPs [members of Parliament] and Ruam Thai 19 in the opposition bloc which has 114 MPs in the 347-member House.)

Ruam Thai asked for the agricultural portfolio and another deputy ministerial post while CAP demanded the post of the finance minister, said the Cabinet member who asked not to be named.

CAP leader Bunchu Rotchanasathian appeared guardedly cautious in commenting on the reported pending Cabinet reshuffle. But he hinted that if "CAP has its way, we shouldn't deny ourselves the chance (of joining the coalition)." [passage omitted]

In London, PM's Secretary General Sqn Ldr Prasong Sunsiri said there would be no imminent Cabinet reshuffle because the premier is still overseas. Prem is scheduled to return to Bangkok on Thursday.

Communications Minister Banhan Sinlapa-acha said a Cabinet reshuffle must be agreed upon by all the four parties in the government coalition -- Democrat, Chat Thai, Social Action, and Ratsadon.

A Cabinet reshuffle is not an easy matter, added Banhan who is secretary general of Chat Thai Party.

Foreign Minister ACM Sitthi Sawetsila, leader of Social Action Party, dismissed the reports of an imminent Cabinet reshuffle as "rumors."

He also denied that Commerce Minister Montri Phongphanit would resign.

Montri is one of the targets of a no-confidence debate which the Opposition bloc has planned to call in the upcoming parliamentary session. Montri will be grilled for his role in the controversial rice deal with Iran.

Deputy Minister Seeks Shake-Up

BK150031 Bangkok BANGKOK POST in English 15 Mar 87 p 1

[Excerpt] Deputy Agriculture Minister Suthep Thuaksuban has called on Prime Minister Prem Tinsulanon to strengthen his coalition government by reshuffling the Cabinet.

Mr Suthep (Democrat-Surat Thani) said that if Gen Prem thinks it would strengthen the coalition he should reshuffle the Cabinet as soon as possible.

"I am ready to be replaced," Mr Suthep said, adding, however, that it is up to Gen Prem.

Mr Suthep, who is a target of the Democrat rebel faction's push for a cabinet reshuffle, made the remarks on Friday amidst reports that ministers accompanying Gen Prem on his European tour have opposed a reshuffle.

There has also been widespread speculation that two opposition parties -- Ruam Thai and Community Action -- would replace the conflict-torn Democrat Party in the coalition. Community Action leader Bunchu Rotchanasathian has rejected the possibility of joining the Government.

Ruam Thai Party leader Narong Wongwan denied that his party had been asked to join the Government. He said that the reports were leak to create doubts among the Opposition.

Mr Narong said that Ruam Thai is not interested in joining the Government and that none of its MPs want to join it in hopes of getting Cabinet posts.

"Everyone in Ruam Thai at the moment is just trying to be good MPs," he said.

Ruam Thai secretary-general Piyanat Watcharaphon also denied that his party has been asked to join the Government. He said that at the moment the party is gathering evidence for a no-confidence motion against the Government when Parliament reconvenes next month.

Asked if he thought there would be a reshuffle, Mr Piyanat said, "It depends on whether they want good people in the Government."

SOLDIERS BLAMED FOR SAMAK HOUSE BOMBING

BK130815 Bangkok BANGKOK WORLD in English 13 Mar 87 p 1

[Excerpts] The bomb attack at the home of Prachon Thai Party leader Samak Sunthorawet on Wednesday night [11 March] was the work of soldiers and they will be arrested, Deputy Interior Minister Sawai Phatthano said this morning.

The man who actually planted the bomb was a professional experienced with explosives, Mr Sawai (Democrat-Songkhla) added. "Normal people like you and I would never know how to do it," he added.

Speaking to reporters, he said he had instructed police to investigate the case without any for repercussions as the law must be the law.

The suspects will be arrested at a time suitable to the investigation, although "we still don't know how many (people) this will involve."

At this stage, it was still uncertain whether investigators would establish any role by high-level military officers in the incident, he added. [passage omitted]

Meanwhile, Metropolitan Police Commissioner Pol Lt Gen Samnang Withiworakan said another special committee comprising senior police officers would be set up to investigate the bomb attack.

Asked what steps [would] be taken now that the motorcycle used in the attack had been found to belong to Col Yutthasak, the commissioner said police would ask permission from his superior to hand him over for questioning. [passage omitted]

3 RANGERS WOUNDED IN CLASH WITH SRV TROOPS

BK140039 Bangkok THE NATION in English 14 Mar 87 p 3

[Text] Aranyaprathet -- Three rangers were wounded yesterday in a clash with intruding Vietnamese soldiers near Site II evacuation area for displaced Kampuchians, a military source reported.

The source said a ranger patrol unit encountered five Vietnamese soldiers about 500 meters inside the Thai territory at the former refugee camp Dang Rek about two kilometers from Site II which currently shelters over 130,000 displaced Kampuchean refugees.

The source said the Vietnamese intruders fired a rocker-propelled grenade at the Thai rangers who retaliated with small arms fire.

Both sides called for support from their artillery gunners, prompting an exchange of artillery and mortar shelling across the border for about an hour.

The wounded Thais were identified as Prayun Natsawang, 20, Sgt Kriangsak promkeo, 26, and Warrant Officer Bunthai Chitsai, 40. Prayun and Sgt Kriangsak were in serious condition and airlifted to Suraasihanat military hospital.

The Vietnamese intruders later retreated into Kampuchea.

BORDER TRADING POINTS AWAIT MINISTRY APPROVAL

BK140035 Bangkok THE NATION in English 14 Mar 87 p 5

[Text] Loei -- Provincial officials are seeking approval from the Interior Ministry to open trading points in this northeastern province for Thais and Laotians to barter goods at the border, the provincial governor said.

Chiwin Suthisuwan told THE NATION that if the ministry approved the request, two trading points will be opened at the former crossing points in Chiang Khan and Pak Chom districts which have been closed for over a decade since the communist takeover in Laos in 1975.

He believes that the proposal will be approved by the ministry because it is aimed at promoting relations between the two neighbouring countries at the local level.

Authorities and traders in this border province agreed with a delegation from Vientiane on Tuesday to re-establish ties by resuming cultural exchange, bartering goods and coorganizing local sports events.

Chiwin said if the proposed trading spots were allowed to be re-opened, customs checkpoints would also be set up.

He said the Laotian delegates and Thai representatives had already talked about what they would get from each other in the barter.

Thai traders of all levels can take part in the barter if they are registered with the Commerce Ministry's Internal Trade Department, said the governor.

He also said he had asked the Thai Embassy in Vientiane to invite Laotian authorities from Sayabouri for talks with the Thai side to improve local ties.

JOINT STATEMENT ISSUED ON SHEVARDNADZE VISIT

OW131521 Hanoi VNA in English 1451 GMT 13 Mar 87

["Joint Vietnamese-Soviet Statement" -- VNA headline]

[Text] Hanoi VNA March 13 -- At the invitation of the Communist Party of Vietnam Central Committee and the government of the Socialist Republic of Vietnam, E.A. Shevardnadze, member of the Political Bureau of the Communist Party of the Soviet Union Central Committee and foreign minister of the USSR, paid an official friendship visit to Vietnam from March 11-13.

E.A. Shevardnadze paid a floral tribute to President Ho Chi Minh at his mausoleum and laid a wreath at V.I. Lenin's monument in Hanoi.

Nguyen Van Linh, general secretary of the Communist Party of Vietnam Central Committee; Truong Chinh, President of the State Council; Pham Van Dong, chairman of the Council of ministers; and Le Duc Tho, advisor to the party Central Committee, received the Soviet foreign minister.

Talks were held between Nguyen Co Thach, member of the Political Bureau of the Communist Party of Vietnam Central Committee, vice chairman of the Council of Ministers and foreign minister of Vietnam, and Foreign Minister Shevardnadze. The two sides discussed bilateral issues and the present international situation. The reception and talks took place in an atmosphere of friendship and sincerity, and the two sides reached unanimity on all questions brought up.

Nguyen Co Thach informed the Soviet side of the implementation of the resolution of the Sixth CPV Congress in the spirit of renewal of thinking aimed at stabilizing the socio-economic situation in all fields and ensuring the people's life, thus creating prerequisites for carrying out socialist industrialization, implementing the two strategic tasks of socialist construction and national defence while accomplishing the internationalist duties.

On behalf of the Soviet leadership, E.A. Shevardnadze highly valued the results of the Sixth CPV Congress which has charted the line for renewal of a creative and practical character aimed at successfully carrying out the country's tasks. He brought out the profound agreement between the 27th CPSU Congress and the 6th congress. E.A. Shevardnadze declared that the Soviet Union consistently supported the Vietnamese people's efforts to carry out the plan laid down by the Communist Party of Vietnam and expressed the wish that the communists and entire people of Vietnam would obtain great achievements in the implementation of these plans. The Vietnamese leaders expressed profound thanks to the party, government and fraternal people of the Soviet Union for their strong support and effective and great assistance.

E.A. Shevardnadze informed the Vietnamese side of the implementation of the resolution of the 27th CPSU Congress, the main results in the implementation of the Soviet Union's socio-economic development programme and of the restructuring in various fields of society. The January 1987 session of the CPSU Central Committee is an important political event which enriches and concretizes the line of profound and all-round renewal of the Soviet society, and clearly defines the guarantee for the irreversibility of the restructuring process aimed at taking socialism to a higher level of quality.

The CPV leaders expressed their full support for the continuous efforts of the party of Lenin aimed at maintaining and consolidating peace, and laid stress on the great significance of the restructuration in the Soviet Union which is an encouragement to revolutionary and progressive forces the world over. They particularly pointed to the international significance of the documents of the CPSU Central Committee's January 1987 session which have enriched the experience of other communist parties and socialist countries in the building and perfecting the new society.

The two sides expressed satisfaction at the dynamic development of the comprehensive Vietnam-USSR cooperation in the new stage based on the unchangeable principles of Marxism-Leninism and socialist internationalism, and on their treaty of friendship and cooperation, in the interests of the two peoples, for the sake of building socialism and communism in the two countries, and of consolidating the position of socialism in Indochina. The regular summit meetings of the two parties and states are of particular significance for setting the main orientations to broaden and deepen the cooperation between the CPV and CPSU, and between Vietnam and the USSR.

The two sides were completely agreed on the evaluation by the 16th CPV Congress of the prospects for developing the Vietnam-USSR economic cooperation and the decision of the CPSU Central Committee January session to continue perfecting their bilateral cooperation. They underlined the need to seek and actively apply new and advanced forms of cooperation in order to better use the great possibilities and improve the efficiency of the Vietnam-USSR cooperation.

The Vietnamese side stressed the special significance of the immortal doctrine of the great Lenin and the ideology of the October Revolution toward the destiny of the Vietnamese revolution, and declared that the great celebration of the 70th anniversary of the Great October Socialist Revolution in Vietnam will be a real festival of the entire people, and a new, bright manifestation of the unbreakable Vietnamese-Soviet friendship and of the unanimity of views and solidarity between the two fraternal parties and peoples.

The Soviet side affirmed its determination to actively take part in working out and implementing the special programme of the Council for Mutual Economic Assistance to help Vietnam, Mongolia and Cuba.

Discussing the key international issues, the two sides expressed their concern over the tense situation in the world and the lack of fundamental steps to purify the international political climate. The imperialist circles, first of all the United States, which are carrying out its neo-globalism, obstinately refuse to accept the present world reality. They must bear full responsibility for this situation.

Accordingly, the two sides laid stress on the increasing significance of the strengthening of co-ordinated acts between countries in the socialist community and all other forces of peace and progress in the struggle to ward off the danger of war, prevent a nuclear holocaust, put an end to the arms race on earth, prevent the arms race in outer space, and consolidate peace and international security.

E.A. Shevardnadze declared that the Soviet Union highly valued the contribution of the Socialist Republic of Vietnam to the implementation of the policy of coordination among the fraternal countries aimed at consolidating peace, security and cooperation in Asia and across the world.

The Vietnamese side stressed that the programme of establishing a world without nuclear arms by the end of this century as expounded in the January 15, 1986 statement of CPSU General Secretary Mikhail Gorbachev, the idea of building a comprehensive international security system put forth at the 27th CPSU Congress and the other far-reaching peace proposals of the Soviet Union meet the vital interests of all nations. The Communist Party and people of Vietnam fully support the Soviet Union's initiatives in its foreign relations.

Vietnam and the Soviet Union held that due to Washington's negative position at the Reykjavik summit a historical chance was missed to reach substantial agreements on nuclear disarmament.

The two sides are convinced that the proposals beneficial to all nations put forth by the Soviet Union in the Icelandic capital would be realized should the U.S. Administration show a realistic attitude.

The statement delivered by CPSU General Secretary Mikhail Gorbachev on Feb 28 in which the Soviet Union proposed the signing of a separate agreement on intermediate missiles in Europe was a new and important step toward a world free from nuclear weapons, and has provided an opportunity for promptly embarking on the reduction and eventually total elimination of nuclear arms.

Vietnam warmly acclaimed and resolutely supported the Soviet Union's new peace initiative testifying to its goodwill and high sense of responsibility toward mankind's destiny, and drew attention to the fact that the world people are looking forward to a positive response to that proposal.

The two sides reaffirmed the decisive importance of the Soviet Union in the establishment of durable security in Europe and Asia.

The two sides paid special attention to the Asian-Pacific region where the United States and its allies continue to step up their military activities. They held that the intensification of the militarist tendency in the Japanese Government's policy as expressed in its decision to abolish its limitation of military spendings and its involvement in the space arms race through the so-called "SDI" programme of the United States are as many causes for concern. The attempts to establish the Washington-Tokyo-Seoul military bloc are seriously jeopardizing the prospect for development of the situation in Asia and the Pacific.

Vietnam reiterated its full support for the proposal put forth by CPSU General Secretary Mikhail Gorbachev in Vladivostok aimed at ensuring security in Asia and the Pacific basin.

Having actively supported the efforts to make the Asian-Pacific region a zone of peace, stability, good neighbourhood, and cooperation, Vietnam and the Soviet Union are determined to strive for this objective on the basis of an overall view of all matters concerning the guarantee of security in Asia, by creating an atmosphere of mutual trust and constructive cooperation among nations in the region on a bilateral and multi-lateral basis. The initiatives put forth by the Socialist Republic of Vietnam, the Lao People's Democratic Republic, the People's Republic of Kampuchea, the People's Republic of Mongolia, the Democratic People's Republic of Korea, and many other Asian countries are all aimed at this goal.

The practical settlement of such questions as the non-increment and non-proliferation of nuclear arms, the establishment of nuclear-free zones, disarmament, the reduction of conventional weapons and military activities, the limitation of naval activities, and the implementation of confidence-building measures, etc., are urgent matters for the whole region.

The Vietnamese side acclaimed the result of the Indo-Soviet summit meeting. The New Delhi statement on the principles for building a world free from nuclear weapons and violence in international relations is a bright example of the new political thinking and a realistic and constructive attitude toward realities which are taking place on our planet. Vietnam approved the terms of this statement, considering it a good basis for building relations among nations in the nuclear-space age. The two sides highly appreciated India's positive role on the international arena and its contributions to consolidating peace and stability in Asia and the world as a whole.

Vietnam and the Soviet Union expressed their concern over the complicated development of the situation in the Indian Ocean, condemned attempts to intensify the military presence of outside forces in this region, and supported the active implementation of the UN declaration on turning the Indian Ocean into a region of peace. They deemed it necessary to hold an international conference on this question not later than 1988.

The Socialist Republic of Vietnam and the Union of Soviet Socialist Republics held that the normalization and improvement of the relations of Vietnam and the Soviet Union with the People's Republic of China on the basis of equality and a principled stance not detrimental to the third country will constitute an important contribution to making the situation in Asia healthy.

The Vietnamese side informed the Soviet side of the common efforts of the Socialist Republic of Vietnam, the Lao People's Democratic Republic and the People's Republic of Kampuchea toward constructive political dialogue with the ASEAN countries aimed at turning Southeast Asia into a zone of peace, good neighbourhood and cooperation. The Soviet Union supported the constructive policies of Vietnam, Laos and Kampuchea and their practical steps along this sense. Vietnam and the Soviet Union reaffirmed their support for the suggestion to set up a nuclear-free zone in Southeast Asia which meets the ardent aspiration of all nations in the region.

E.A. Shevardnadze stressed that the fraternal alliance between the three Indochinese countries is an important factor ensuring peace and stability in Southeast Asia. He reiterated the Soviet Union's support for the efforts of the Socialist Republic of Vietnam, the Lao People's Democratic Republic and the People's Republic of Kampuchea to consolidate the solidarity between Vietnam, Laos and Kampuchea in the struggle of each country to build socialism and defend national independence.

The two sides firmly believed that an early solution to the situation regarding Kampuchea will speed up the purification of the atmosphere in Southeast Asia. The Soviet Union held that the basis of such a political solution has been put forth in the clear proposals of the government of the People's Republic of Kampuchea, and in the foreign policy documents jointly issued by Vietnam, Laos and Kampuchea. The Soviet side approved and supported the stance of the Socialist Republic of Vietnam, the Lao People's Democratic Republic and the People's Republic of Kampuchea on this issue. Vietnam and the Soviet Union strongly supported the People's Republic of Kampuchea having its legal position in the United Nations and other international organizations, and condemned the misuse of these organizations to interfere in the internal affairs of Kampuchea.

Vietnam and the Soviet Union highly valued the resolutions of the enlarged ad hoc meeting of the central committee of the People's Democratic Party of Afghanistan to create conditions for the beginning of an open dialogue throughout the country aimed at achieving durable peace and national reconciliation in Afghanistan.

The Socialist Republic of Vietnam welcomed the decision to withdraw from the People's Republic of Mongolia part of the Soviet troops temporarily stationed in this country, considering this an act of goodwill to increase mutual understanding and trust, good neighbourhood and cooperation among countries and peoples in Asia, and a practical step toward laying the groundwork for a comprehensive system of international peace and security in Asia and the Pacific.

Vietnam and the Soviet Union supported the efforts of the Democratic People's Republic of Korea for peaceful re-unification of the country, its proposals for the establishment of a nuclear-free zone on the whole Korean peninsula, and for politico-military talks between North and South Korea.

Vietnam and the Soviet Union supported the joint efforts to find a solution to the conflicts in the Near and Middle East, Central America and Southern Africa by political means and through negotiations on the basis of the respect for the sovereignty and independence of all countries, and the right to self-determination of each nation, without outside interference.

On the Iran-Iraq conflict, the two sides expressed their great concern over the fact that the bloodshed is continuing and the political negotiations among the concerned parties to solve the conflict have not yet begun.

The Vietnamese side noted with satisfaction the signing by the Soviet Union and China of the protocols of the Rarotonga treaty on a nuclear-free zone in South Pacific, and hoped that other nuclear powers will have an appropriate responsible attitude toward this initiative and do all in their power to ensure the modalities for real denuclearization of this region.

The Socialist Republic of Vietnam and the Union of Soviet Socialist Republics underlined the increasing role of the non-aligned movement which is actively participating in the struggle against imperialism, neo-colonialism, aggression and racism, and for stopping the arms race and eliminating nuclear weapons, for the sake of peace and security of all nations.

Vietnam and the Soviet Union held that it is necessary to intensify the struggle for the establishment of a new world economic order and for ensuring equal economic security for all countries. The two sides advocated the holding of negotiations in the framework of the United Nations with the participation of all countries aimed at solving on a global scale the most important international economic issues.

The two sides noted with profound satisfaction the results of their exchange of views and believed that this visit will contribute to further consolidating the solidarity between the CPV and the CPSU, between Vietnam and the Soviet Union, and to enhancing their cooperation in their external relations in the interests of the Vietnamese and Soviet peoples and of the whole socialist community, for the sake of world peace and security.

On behalf of the CPSU Central Committee and the Soviet Government, E.A. Shevardnadze invited a Vietnamese party and government delegation to pay an official friendship visit to the Soviet Union. He also invited Nguyen Co Thach, Politburo member of the CPV Central Committee, vice chairman of the Council of Ministers and foreign minister of the SRV, to pay an official friendship visit to the Soviet Union. The Vietnamese leaders accepted the invitation with gratitude.

NHAN DAN INTERVIEWS SHEVARNADZE ON VISIT, TIES

OW150735 Hanoi VNA in English 1712 GMT 15 Mar 87

[Text] Hanoi VNA March 15 -- The Communist Party of the Soviet Union and the Soviet Government will continue to give priority to their relations with the Communist Party of Vietnam and the Socialist Republic of Vietnam, says Soviet Foreign Minister Shevardnadze in an interview with the national daily NHAN DAN at the end of his visit to Vietnam.

Asked about the Vietnam-USSR relations at the present stage, the Soviet foreign minister said:

"To the Soviet People, Vietnam is a brother country and spiritually the Vietnamese people are their heartfelt and intimate friends. Your country is one of the most distinct pictures borne in our mind and heart.

"Our two peoples and countries have established diversified and multifaceted relations. The leaders of the two countries have held regular and practical meetings and talks in an atmosphere of comradeship, affability and mutual trust.

"My recent meeting with the comrade general secretary of the CPV Central Committee has deeply impressed me.

"There remain issues that need further discussions between our two countries at the present development stage. We are looking forward to a visit to Moscow by a Vietnamese party and government delegation led by CPV General Secretary Nguyen Van Linh.

"When speaking of 'positive respects', we should, in the spirit of self-criticism, note that many potentialities and capacities in our economic cooperation have not yet been tapped. For instance, our scientific and technological cooperation might be better and more effective. The plan for setting up more joint ventures however big or small is also promising provided they show tremendous vitality and work with efficiency."

Asked about the prospect of the struggle for peace and security in the Asian-Pacific region, the Soviet foreign minister said:

"Prior to my visit to Vietnam, I had toured Thailand, Australia, Indonesia, Laos and Kampuchea. In Bangkok, Canberra and Jakarta, we noted a great attention given to the view put forth by Mikhail Gorbachev at Vladivostok. And our views were identical with those of the Lao and Kampuchean friends.

"I would like to lay special stress on the fact that the Socialist Republic of Vietnam is playing a role influencing issues concerning the consolidation of security in Asia, and in fact not in Asia alone, and that Vietnam has carried out a persistent struggle to ensure the equality and legitimacy for all countries in the region in sovereign and independent development.

"We understand that the Socialist Republic of Vietnam has done a great deal of work with a view to implementing the proposal for the establishment of a region of peace, stability and cooperation in Southeast Asia. To this end, the most important factor is the unanimity and the solidarity of the three Indochinese countries and their readiness to embark on dialogue with the ASEAN countries, China and all other parties concerned."

More on Interview

BK150645 Hanoi Domestic Service in Vietnamese 0500 GMT 15 Mar 87

[From the review of NHAN DAN for 15 March]

[Text] Concerning domestic and international current affairs, NHAN DAN today reserves an important place on its front page to the full text of the answers given by Comrade Shevardnadze in an interview granted to the newspaper. Following is one of the questions and answers of the interview.

[Question] The statement of Comrade Gorbachev in Vladivostok and the New Delhi declaration were strongly welcomed and supported by world opinion, especially opinion of the people in various Asia-Pacific countries. Would the comrade minister please comment on the prospects of the struggle for peace and security in the Asia-Pacific region?

[Answer] Before coming to Hanoi, I went to Thailand, Australia, Indonesia, Laos, and Cambodia. In Bangkok, Canberra, and Jakarta, we could feel the attention and concern over the ideas stated by Comrade Gorbachev in Vladivostok. Our views, however, are completely in line with those of our Lao and Cambodian friends. I can say that the willingness to give active support to the realization of the security doctrine in the Asia-Pacific region is based on political realities. I would like to stress in particular that the SRV plays an influential role in the issues relating to the consolidation of security in Asia and not in Asia alone, and that it has consistently struggled for all countries in the region to be guaranteed of every equal and legitimate condition for their sovereign and independent development.

NHAN DAN HAILS SUCCESS OF SHEVARDNADZE'S VISIT

BK150410 Hanoi Domestic Service in Vietnamese 1430 GMT 14 Mar 87

[Unattributed "article" in 14 March NHAN DAN: "A New Step of Development in the Vietnamese-Soviet Friendship and Militant Solidarity"]

[Text] Over the past few days the Vietnamese and Soviet peoples have noted with joy that the friendly relations, militant solidarity, and fraternal cooperation between our two parties and states have been marked by a new development: the fine success of the official friendship visit to Vietnam by Comrade Shevardnadze, member of the CPSU Central Committee Politburo and Soviet foreign minister.

This event inspires the peoples of our two countries to surge forward and overcome all difficulties to successfully implement the resolutions and policy of renovation set forth by the Sixth CPV Congress and the 27th CPSU Congress while advancing toward the celebration of the 70th anniversary of the Great October Socialist Revolution.

In the talks as well as the cordial meetings and exchanges of views between Comrade Shevardnadze and our comrade party and state leaders, the two sides achieved complete unanimity of views on the issues concerning bilateral relations and on international issues of mutual concern.

During their exchanges of views on key international issues, Vietnam and the Soviet Union expressed concern over the tense situation in the world caused by various warlike imperialist forces led by the U.S. imperialists. Along with fanning up the flames of conflict in all regions, these forces are feverishly stepping up the nuclear arms race, scheming to push mankind to the verge of the abyss of nuclear catastrophe. Therefore, the intensification of concerted actions taken by various countries of the socialist communities and all peace-loving and progressive forces to step up the struggle for preserving world peace and security is a pressing task. On this basis, our people warmly welcome and fully support the Soviet peace initiatives to advance step by step toward complete elimination of nuclear arms and other weapons of mass destruction from our planet.

The two sides voiced their solidarity with and support for the struggle of the people of various countries against colonialism, imperialism, racism, and for independence, freedom, and social progress.

Dealing with the Asia-Pacific issues, the two sides affirmed that the Soviet peace initiative made by Comrade General Secretary Gorbachev in Vladivostok and in the New Delhi Declaration signed by Indian Prime Minister Rajiv Gandhi and Comrade General Secretary Gorbachev are documents of historical significance reflecting the earnest aspiration and strong will of the whole mankind in the struggle for peace and for a world free of nuclear weapons and violence in international relations.

Vietnam and the Soviet Union actively support the efforts to turn the Asia-Pacific region into a region of peace, stability, friendship, and cooperation and are determined to work for this objective by creating an atmosphere of trust and constructive cooperation of all states in the region on a bilateral and multilateral basis. The two sides expressed their hope that the complex issues in the region will be settled through peaceful negotiations.

The normalization and improvement of the relations of Vietnam and the Soviet Union with the PRC on an equal footing and a principled stance will be an important contribution to improving the situation in Southeast Asia and Asia as a whole.

The two sides expressed their full support for a correct solution to the Cambodia issue as expounded in the Cambodian Government's documents and in the documents on external affairs jointly issued by Vietnam, Cambodia, and Laos, considering them important contributions to improving the situation in the region.

Concerning their bilateral relations, Vietnam and the Soviet Union expressed satisfaction at the dynamic development at the new stage of allround Vietnamese-Soviet relations, based on the principles of Marxism-Leninism and socialist internationalism and sealed by the treaty of friendship and cooperation signed by the two countries in November 1978. At this new stage, it is necessary to renovate Vietnamese-Soviet cooperation so as to make more effective use of the great possibilities of this cooperation and to comply with the resolutions of the 27th CPSU Congress and the resolution of the Sixth CPV Congress.

We highly value the activities of the CPSU Central Committee and Soviet Government aimed at renovating and enhancing the effectiveness of Vietnamese-Soviet cooperation. The Soviet Union's active participation in the drafting of a special program of the CEMA member countries to provide assistance for Vietnam, Mongolia, and Cuba is a great encouragement and inspiration for our people in implementing the renovation line set forth by the sixth party congress. All generations of Vietnamese understand that the Vietnamese-Soviet solidarity and friendship are one of the decisive factors for the success of our people's revolutionary cause and a factor of great importance to peace and socialism in Asia and the Pacific.

Coming in the wake of the high-level meetings between the Vietnamese and Soviet party and state leaders and the trip to Vietnam of the CPSU delegation headed by Comrade Ligachev to attend the Sixth CPV Congress, the fine results of Comrade Foreign Minister Shevardnadze's official friendship visit to our country reflect the unanimity of views between close comrades and brothers and actively contribute to further consolidating and strengthening Vietnamese-Soviet relations of friendship, solidarity, and all-round cooperation in the interests of the two peoples, socialism, and world peace and security.

TASS CITED ON SHEVARDNADZE'S TOUR, CAMBODIA ISSUE

BK140627 Hanoi Domestic Service in Vietnamese 0500 GMT 14 Mar 87

[Text] According to TASS, at a Moscow press conference on 12 March, a spokesman for the Soviet Foreign Ministry stated that the visit by Comrade Shevardnadze, a member of the CPSU Central Committee Politburo and foreign minister of the Soviet Union, to the Pacific and Southeast Asian countries is a major external affairs activity that has drawn the attention of the world public.

During his visit to the three Indochinese countries, the Soviet Union and Laos, Cambodia, and Vietnam showed their determination to consolidate peace and security in the region. Regarding the Cambodian question, the Soviet Union holds that the efforts by the leadership of the PRK to negotiate with Khmer groups or individuals to eliminate the Pol Pot clique constitute a positive step toward national concord in Cambodia and normalizing the situation around Cambodia. The visit to the three Indochinese countries by Comrade Shevardnadze is of great importance to the further strengthening of all-round cooperation between the Soviet Union and Laos, Cambodia, and Vietnam. The results of this visit will positively influence the international situation in Southeast Asia.

SOVIET JOURNALISTS VISIT SRV 3-12 MARCH

OW131151 Hanoi in VNA in English 0704 GMT 13 Mar 87

[Text] Hanoi VNA March 13 -- A delegation of the Soviet AGITATORE review under the Central Committee of the Communist Party of the Soviet Union paid a working visit to Vietnam from March 3-12. The delegation included M.P. Gavdulin, editor-in-chief, and V.S. Krestianow, advisor to the review. While here, the guests paid tribute to President Ho Chi Minh at his mausoleum and visited the late president's home and office. They were received by Dao Duy Tung, secretary of the CPV Central Committee. It had working sessions with the Vietnam Journalists' Association, editorial boards of several local newspapers, and committees for information and training of some provinces. The Soviet guests also toured several industrial and agricultural establishments in Hanoi and other localities.

A U S T R A L I AMINISTRY OPTIMISTIC ON SOVIET PACIFIC APPROACH

BK130939 Melbourne Overseas Service in English 0830 GMT 13 Mar 87

[Text] Australia's Foreign Affairs Department has expressed what it called cautious optimism about the Soviet Union's approach to the South Pacific. A deputy secretary of the department told a parliamentary enquiry in Canberra that this optimism was based on assurances about Soviet intentions given in the Australian capital last week by the Soviet foreign minister, Mr Shevardnadze.

Mr Duncan Campbell said these assurances would be used to measure future Soviet actions in the South Pacific. Mr Campbell said the development of contacts between South Pacific island governments and the Soviet Union, Cuba, Libya have been of concern to Australia because of the potential complication for regional security. However, he said Australia accepted that it was a prerogative of sovereign governments to determine those countries with which they wished to develop contact.

Mr Campbell said Soviet activities so far was low-level and restricted to commercial and diplomatic contact. He said Cuba's contact has been restricted to nonresident diplomatic exchanges with Vanuatu and Libya's diplomatic contact was also nonresidential.

Mr Campbell added that there had been several instances of people from the region traveling to Libya for training and this required careful monitoring by Australia.

The parliamentary joint committee on foreign affairs and defense is inquiring into Australia's relations with the South Pacific.

HEARING OPENS ON RELATIONS WITH PACIFIC

BK130935 Melbourne Overseas Service in English 0430 GMT 13 Mar 87

[Text] A federal parliamentary committee is holding its first public hearing today on Australia's relations with the South Pacific. It will take evidence from the Departments of Foreign Affairs, Defense, and Trade, and from the Australian Development Assistance Bureau.

The committee is investigating issues of political, economic, and security concern in the South Pacific region.

SINGAPOREEDITORIAL VIEWS SOVIET GLOBAL, REGIONAL MOVES

BK141505 Singapore THE STRAITS TIMES in English 14 Mar 87 p 26

[Editorial: "Moscow's Credibility"]

[Text] The Soviet Government, under Mr Mikhail Gorbachev, is taking a more global approach in foreign policy and strategic terms. Whereas his predecessors, especially Mr Leonid Brezhnev, never seemed to look beyond Europe, Mr Gorbachev wants to see a higher Soviet profile in the Asia-Pacific region. When he sent his foreign minister, Mr Eduard Shevardnadze, to Japan in January last year after former foreign minister Andrey Gromyko had refused for years to go to Tokyo, things had already started to change.

Mr Gorbachev's Vladivostok speech in late July last year was thus not really the first indication that Asia has taken on more importance in the Kremlin's global scheme of things. Nevertheless, the recent swing of five South-east Asian countries and Australia by Mr Shevardnadze, is a translation into action of that Vladivostok doctrine. If nothing else, is it significant for being the first visit in 20 years by a Soviet foreign minister to Indonesia and the first by one to Australia.

Mr Shevardnadze's visit had at first raised hopes that a breakthrough in the Cambodian impasse was imminent. His choice of countries seemed to indicate that Cambodia was at the top of his agenda. After all, he was to visit Thailand, the frontline state in the Cambodian war; Indonesia, ASEAN's interlocutor with Vietnam; and Australia, which had played a major role in recent years. The concurrent visit to the region by the Indian minister of state for external affairs, Mr Natwar Singh, fuelled further speculation that a joint Indo-Soviet push to tackle the problem was underway. Indeed, Mr Shevardnadze's first stop in Thailand seemed to confirm the rumours. There, he agreed, perhaps the first time a Soviet leader had done so, that foreign troops should withdraw from Cambodia. He even suggested that the proposed withdrawal timetable for Soviet troops in Afghanistan could serve as a model for Cambodia.

But his subsequent reversals of those positions left little doubt that he did not come to help get Vietnamese troops out of Cambodia. Mr Shevardnadze's intention might have been no more than to show his hosts that the Soviet approach to the Cambodian problem is now more flexible. If so, this is merely the same strategy that Moscow has adopted in the case of Afghanistan where it is now talking about planned troop withdrawals. At best, Mr Shevardnadze's visit has only shown that the Soviet Union is prepared to be a more active player in the Cambodian problem. As Indonesia's Foreign Minister Dr Mokhtar Kusumaatmaja said Mr Shevardnadze made no new offers on Cambodia.

But this is not entirely unexpected. Optimists predict that the Soviets would use their massive economic aid to the Vietnamese as leverage to pressure Hanoi into seeking a solution in Cambodia. But they forget that Hanoi can hold its own by threatening to kick the Soviets out of their military bases at Da Nang and Cam Ranh Bay. This stalemate is unlikely to change in the foreseeable future as the Soviets will doubtless do all they can to ensure that they do not lose their strategic military foothold in the region.

When Mr Shevardnadze told his Australian hosts recently that Moscow had no ulterior motives in seeking fishing and other commercial deals in the South Pacific, Prime Minister Bob Hawke was not convinced. His sentiment is no doubt shared by leaders in many countries in the region with regard to Soviet intentions here. If Moscow seriously wishes to have more economic and military involvement in the region, one of the things it must work on is its credibility.

COLUMNIST WARNS OF INCREASING U.S. INTERVENTION

HK140930 Manila THE MANILA TIMES in English 14 Mar 87 pp 4, 5

["Here and Abroad" column by Alejandro Lichauco: "The Lesson of Joker"]

[Text] Reports that the U.S. government wants Joker out recall the first major incident of this kind in the early post-war years. The man and the office involved were not anywhere as important as Joker and his office, but they were sensitive enough to have invited American interventionism then. It was the first major case of American interventionism in our policy towards government personnel, the certainly didn't prove to be the last.

The main involved was Dr. Horacio Lava, and the office was the Department of Research of the then newly organized Central Bank.

Lava was a brilliant economist and his talent was easily recognized by Miguel Cuaderno, the father of the Central Bank, and its first governor.

Lava had everything going for him, except for one thing. He happened to be a brother of Jesus and Jose Lava, ranking members of the Partido Komunista ng Pilipinas, which was then in the forefront of the armed struggle during the late forties.

To make a long story short, Cuaderno was pressured by U.S. officials to remove Lava from the CB, and because the Philippine government then was, as it is now, in need of funds, as it has always been in need to funds since it came to being as a Republic in 1946, Cuaderno had to give in, and the CB lost a great talent.

Lava eventually became dean of the Economics Department of one of the prominent universities in Greater Manila.

We are sure that between Lava and Joker there have been quite a number of Filipinos who have either been pulled out of government service, or been prevented from serving the government simply on account of U.S. displeasure.

Malacanang, of course, is being pressured to remove Joker from office for reasons entirely different from those which applied to Lava.

Lava was suspected of being communist because two of his brothers were communists. His technical competence wasn't in question. He was yanked out because he was suspected of being anti-American, being a suspected commie.

In the case of Joker, there isn't any question about his ideological loyalties. He isn't a communist, and we sure that U.S. intelligence knows he isn't communist. Only the ideological primitives in the military believe he is a communist because he was with a group of human rights lawyers whose practice necessarily brought them in contact with communists, and to defend the human rights of communists, who certainly didn't cease to be human because they became communists.

As a matter of fact, proof conclusive that Joker isn't a communist is that it was he who alerted President Aquino to the anti-nuclear provision in the New Constitution, and it was he who showed utmost concern about it when he should have been overjoyed. [paragraph continues]

The transcript of the overseas telephone conversation showed that if there was anyone in Malacanang more alarmed and upset about the nuclear-free principle inserted in the then draft Constitution, it was Joker, and this was what surprised a lot of Joker's colleagues because, during the fight against Marcos, Joker with clenched fists marched along with groups shouting anti-bases, and anti-nuclear, slogans. That was how Joker acquired the reputation of a "nationalist" and "anti-American." He was shouting anti-bases and anti-American slogans.

It turns out that Joker, far from being a "nationalist," is in fact pro-bases and pro-nuclear, so anathema to the nationalist movement.

Why then does the U.S. government want Joker fired?

The story is that the U.S. government wants Joker fired because his ineptness has proved an embarrassment to the U.S. The famous telephone conversation, which Joker should have avoided exposed U.S. interventionism at the Con-Con. And that is something you don't discuss over the phone.

The isn't enough to serve U.S. interests. [as published] You must serve U.S. interests efficiently, and never be caught in an act which would embarrass the U.S. government.

That was the case of Marcos. Marcos was the perennial pro-American in spite of his anti-American talks. He gave the U.S. unimpeded use of the bases and, what is more, pledged that he would extend those bases indefinitely. But because he became an embarrassment to the U.S., he had to be eliminated.

U.S. policy is ruthless in the pursuit of its self-interest, as any policy of any country should be.

Marcos realized that, too late. Joker is realizing that, also too late. Let us hope President Aquino realizes that before it is too late for her and for our country.

U.S. BOMBING ISSUE INCLUDED IN BASES REVIEW

HK140520 Quezon City Radyo ng Bayan in Tagalog 0330 GMT 14 Mar 87

[Text] The issue of dropping of bombs by U.S. jet fighter planes in Zambales will be brought up by the Philippines during the next review of the Philippine-U.S. military bases agreement in 1988. The bombing incidents occurred five times from 1979 to 1986 in Barangay Moong Bato in Botolan and in Sitio Alicia, Barangay Loog, Castillejas.

According to a resolution adopted by the Zambales provincial board, these incidents are illegal and disregard the dignity and peace of the Philippine people.

According to Ambassador Leonides Cagay, assistant secretary for American affairs, the U.S. planes' bombing incidents will be investigated with the cooperation of officials from Zambales. Cagay added that they would present an official request to the Department of Defense in order to secure the entire detailed reports of the deputy base commanders of Clark Air Base and Subic Naval Base.

LAUREL ORDERS PROBE ON USSR, SRV AID TO CPP

HK140426 Quezon City Radyo ng Bayan in Tagalog 0330 GMT 14 Mar 87

[Text] Salvador Laurel, vice president and foreign affairs secretary, ordered three leading agencies of the Foreign Affairs Department to probe reports that the Soviet Union and Vietnam are offering aid to the country's communists. Reports said that the two countries allegedly offered arms, cash, and training to the Communist Party of the Philippines [CPP].

Laurel stated that if the reports were true, the government should pay immediate attention to the matter. He ordered the Foreign Affairs Department's divisions on Europe, America, and intelligence to begin investigations immediately.

The Vietnamese Embassy denied the reports, but the Department of Foreign Affairs said it would continue investigations.

SOVIET 'SPY SHIPS' SIGHTED OFF NORTH LUZON

HK150734 Manila THE MANILA CHRONICLE in English 15 Mar 87 pp 1, 6

[Text] Unidentified foreign trawlers were recently sighted by the military actively operating inside or near the Philippine territorial waters of the South China Sea.

Col Honesto Isleta, Armed Forces spokesman, said the number of sighted vessels was still within "average occurrence." He noted foreign fishing boats sometimes stray into the territorial waters of other countries.

However, a report claiming to come from the military intelligence community said those foreign trawlers were actually Russian "spy ships."

It added a Soviet survey ship, accompanied by a refrigeration vessel and four trawlers, was recently sighted about 30 miles west of Vigan, Ilocos Sur.

The Russian vessels according to the report, were allegedly part of a Soviet fleet consisting of about 5,000 fishing boats.

The trawlers, which could be converted into a naval unit, carry electronic equipment capable of collecting intelligence data and laying mines, it said.

The report noted a change in Russian naval policy from building conventional warships to merchant and fishing vessels.

It is also noted that the Russians have developed Cam Ranh Bay naval station in Vietnam as jump off for their vessels to intrude into Philippine waters.

STRONGER TIES WITH USSR BEING CONSIDERED

HK161055 Manila PHILIPPINE DAILY INQUIRER in English 16 Mar 87 p 13

[Text] The Department of Foreign Affairs [DFA] is considering plans to strengthen diplomatic relations with the Soviet Union, Ambassador Pablo Araque of the department's European Affairs desk said yesterday.

Araque said the ten-year official ties between Manila and Moscow may be described as "correct but rather minimal".

The country's diplomatic ties with the Soviets come to fore anew with the current discussions on the U.S. bases.

Future of the U.S. bases here is one of the major issues in the current legislative campaign as the government is set to renegotiate with the U.S. the bases agreement which expires on 1991.

Filipino nationalist groups and several international bodies regard the bases as a long-burning issue, especially in view of the alleged buildup of Soviet forces in the Pacific.

The Soviets are reportedly pursuing an objective of freeing the Asia-Pacific region of foreign military base Araque said.

While they have not communicated "anything" to the Philippine government about the U.S. bases, Araque said the Soviets have made "mere general references."

Notwithstanding recent reports of suspected Soviet activities in the country, Araque said the DFA believes other areas of cooperation with the Russians could be improved.

A wire service report said Philippine communist guerrillas Friday denied being trained or armed by the Soviet Union as they accused the military of distorting reports of battle casualties.

The AGENCE FRANCE-PRESSE said the New People's Army, in a written statement, described as "fictitious" local press reports about "landings and presence of Soviet or East German nationals who train NPA guerrillas on tactics and the proper use of landed weapons."

The military had previously said the 24,000-strong army of the banned Communist Party of the Philippines did not receive aid from foreign governments but that they may be seeking foreign assistance.

It has also been feeding the press with "unverified, distorted or sometimes fabricated" news stories about planned NPA attacks against key installations in Manila, assassinations, bank robberies and extortion, the rebel leadership said.

The statement by the NPA "general staff", issued to news agencies here, charged that the Armed Forces were engaged in "obvious attempts to present a kill ratio clearly favorable" to the military.

This is done to impress on the U.S., the country's main military and economic aid donor, to change its assessment that the counter-insurgency campaign is a failure, the statement added.

Meanwhile, the chief of the National Intelligence Coordinating Agency (NICA) has asked for an investigation on the construction of a new Soviet embassy building near the army headquarters, sources said.

Luil Villareal, NICA chief, wrote to Foreign Secretary Salvador Laurel March 9, asking him to start the probe.

Villareal said the building overlooked Fort Bonifacio, the army headquarters, and that NICA strongly feels that a thorough and in-depth security investigation is of the highest priority.

The Soviet embassy, on the other hand, said the construction of the new embassy in Forbes Park was legal and above board.

NEW SOVIET EMBASSY VIOLATES STAFFING AGREEMENT

HK140845 Manila THE PHILIPPINE STAR in English 14 Mar 87 p 6

[By Rey Arquiza and Frankie Tuyay]

[Text] A top ranking foreign affairs official said yesterday the purchase of a Forbes Park land and the construction of a new embassy by the Soviet Union was not covered by a written agreement with the Philippine government.

Contrary to the claims of the Soviet Union, said the official who requested anonymity, there was no written agreement.

If ever there was an agreement, it must have been verbal, the foreign affairs official added.

The official then went on to surmise that the verbal agreement may have been made with the former First Lady, Imelda R. Marcos, then a special ambassador for her husband. Mrs Marcos, he said, may have "traded with the Soviet Union the national security of the Philippines" for a Russian piece of art, an icon.

Oldtimers at the foreign office and some seasoned diplomats agreed that there was no written agreement on the right of the Soviet government to purchase rental property in Metro Manila and construct a new embassy.

Another diplomat, Ambassador Pablo Araque, head of the European desk, however, claimed there was nothing illegal about the building of the Soviet embassy at 10 Narra St. He said such a written agreement on the purchase of the property exists but he could not produce a copy of it.

National security rather than diplomacy being his concern, Brig Gen Luis Villareal, chief of the National Intelligence Coordinating Agency [NICA] is continuing his protest against the construction.

Villareal pointed out that under the deed of sale dated July 6, 1984, the embassy is not allowed to construct a residential building more than nine and a half meters high.

The controversial lot of 4,500 square meters was bought by the embassy for "16 million from a private real estate broker in 1984."

The NICA chief is also protesting the overstaffing of the Russian embassy. Villareal said this violates the agreement entered into by then President Marcos in the early '70s.

According to that agreement signed by former Foreign Minister Manuel Collantes in [on] behalf of the Philippine government, there should be an equal number of embassy staff for each government. Villareal, however, said the Russian embassy has more than twice the number of personnel in the Philippine embassy in Moscow.

In a report, the NICA said it fears that the building under construction is a threat to national security. Intelligence sources say there is a possibility the building will be used by the Soviet as a spying tool against the US military forces and the Central Intelligence Agency (CIA).

Highly-placed military sources told THE STAR there is a possibility that classified messages or information transmitted or received through the communication facilities in Fort Bonifacio and Villamor Air Base will be jammed, intercepted or interrupted by the embassy's sensitive communication transmitter.

A diplomatic staff of the Russian embassy, when asked for a comment on the NICA report, castigated a newsman for writing the story. The Russian diplomat said this "is not good for the friendly relations of our two countries."

Even as this developed, vice President and Foreign Affairs Secretary Salvador Laurel said the government is studying seriously the NICA report.

He said that the inquiry will be conducted by the Office of the European Affairs which has jurisdiction on matters involving the Soviet Union, the Office of the American Affairs, which monitors Philippine-American relations, and the DFA [Department of Foreign Affairs] Intelligence Division.

AQUINO DISCUSSES MARCOS RETURN, OTHER ISSUES

JN150906 Kuwait AL-ANBA' in Arabic 13 Mar 87 pp 22-23

[Interview with Philippine President Corason Aquino by Bari'ah 'Alam al-din in Manila -- date not given]

[Text] ['Alam al-din] After your overwhelming victory in the new referendum over the constitution, are you fully confident that you can establish permanent peace and stability in the Philippines?

[Aquino] Now that more than three quarters of the people have given their votes, support, and confidence to the new Constitution, I strongly feel that we will realize the stability we cherish.

['Alam al-din] Are you worried about the repeated coup attempts against your government?

[Aquino] Previous coup attempts have not worried us, given that we are aware of people's support for, and faith in us. Most of the Armed Forces are loyal to the new government. We will not waste any time in discussing or worrying about this issue. We need this time to do useful work and build our country.

['Alam al-din] Some Armed Forces groups voted against the new Constitution. Then, they voiced their support for this Constitution after they were threatened with expulsion from service. Is there any danger that these persons will move against the government in the future?

[Aquino] First, we must say that there were many reasons which made them vote against the constitutional amendments, but their allegiance to this government was not one of them. [sentence as published] I do not think that they will try to do anything against this legal government in the future. They are part of this government. They are not regarded as separated from it.

['Alam al-din] Former President Ferdinand Marcos still believes that he enjoys popularity and has centers of power in the country. Do you believe that this constitutes a source of threat to the stability of your government and the state?

[Aquino] President Marcos' statements have nothing to do with our country.

['Alam al-din] Will President Marcos be allowed to return to the Philippines and on what conditions?

[Aquino] Perhaps, when he proves to us through his deeds, that he has a genuine desire for discipline, reform, and compensation for the damage which was done to the country during his rule. Only time will prove this.

['Alam al-din] Talks and negotiations with the communist rebels have stopped. They are rejecting all of our government's peaceful overtures and are continuing their rebellion. Are there more chances for peaceful negotiations with them? Will their rebellion end by force of arms?

[Aquino] We are always open to peace initiatives that are genuine and sincere. However, our government will work to safeguard our people's interests and rights and the communists are violating these rights and interests.

['Alam al-din] We can pose the same question about the Muslim rebels in Mindanao. Do you believe that the current negotiations will be able to solve their problem or will you confront them by force?

[Aquino] We are still in the process of negotiations in our Muslim regions. I hope we will all agree to lay down our arms and work together to develop our economy and establish a multiracial system to include all groups, sects, and religions -- a system which will lead to a society that would promote the aspirations of all Filipinos.

['Alam al-din] We attended part of the government's talks with the Moro National Liberation Front, known as the MNLF. We felt that the MNLF is confident that your initiatives will solve their problems. They indicated their wariness of certain members of your government and doubted their intentions concerning the autonomy talks. What is your government's real stand on this subject?

[Aquino] The new Constitution gives these regions the right to exercise autonomous rule. We will abide by this Constitution. However, this will be applied only when there is peace.

['Alam al-din] Do you feel that there is outside interference in this problem from any Arab or Islamic state; and is the government aware of such dangers?

[Aquino] We have friendly relations with most of these countries. They have exerted every effort to give their support in safeguarding our country's unity. We have envoys in these countries who are always in touch with the governments there. They have all the powers necessary to undertake measures that will strengthen our relations.

['Alam al-din] What is your position on the existence of the two U.S. bases: Clark Air Force Base and Subic Bay Naval Base?

[Aquino] As I said before, we will honor the treaty between us and the U.S. Government until 1991. Actually, we are leaving the door open to all possibilities and options.

['Alam al-din] Do you feel that the Washington administration is giving your government sufficient support at present; are you satisfied with the economic aid which Washington gives to the Philippines; do you feel that the U.S. Government is granting you the aid which it used to give to President Marcos and what is the proportion of this aid?

[Aquino] If we take world problems into consideration, then we appreciate any aid that is given to us. Basically, we should depend on ourselves, although we need every possible aid. We will put to use any aid given to us from Washington or any other friendly capitals that are ready to offer aid.

I do not believe that I can compare the aid that was obtained by previous governments and that which is given to our government today.

We feel that the U.S. Government is supporting us. More important than that, the American people feel with us and are ready to help us as much as they can.

['Alam al-din] Thousands of Filipino men and woman work in the Arab countries. The general feeling is that relations are normal or less than normal between the Filipino Government and the governments of these countries. Is there an attempt to improve these relations?

[Aquino] As I said earlier, we have envoys in several of these capitals. The Arab states also have envoys in our country. Our relations with several of these states are cordial and friendly.

['Alam al-din] Are you ready to be part of a bloc that declares Southeast Asia and the South Pacific as a nuclear free zone or would this jeopardize your relations with the United States?

[Aquino] This matter has to be decided by the Senate, the new highest legislative body, because it is a major political issue. I am sure that the Senate will take all matters into consideration when it sets the legislation concerning this matter.

['Alam al-din] What real chances are there of regaining the wealth of former President Marcos?

[Aquino] The Presidential Government Reform Committee believes that we have an excellent chance of regaining a major part of these funds from the Marcos family and their friends. Actually, we have obtained and are obtaining help and support from several governments on this matter including the U.S. and Swiss Governments.

['Alam al-din] As a woman, are you trying to open new vistas for the Filipino woman? For instance, will there be more effective participation in political life for her?

[Aquino] Our women have always been emancipated. This is part of our tradition and heritage. Therefore, our women do not need any help, especially from the government.

['Alam al-din] Do you find any conflict between your work as president and family life?

[Aquino] There is no conflict between my work as president and family life. The only thing is that we do not have enough time to get together. But, of course, all my children understand the situation. We try to make the best of our spare time. We always pray together and talk whenever there is an opportunity.

['Alam al-din] Do you regard yourself as an Indira Ghandi or a Margaret Thatcher; or perhaps a Mrs Roosevelt?

[Aquino] I do not see myself in any of them. I see myself exactly as I am now -- a woman who has taken power directly from the people and is directly responsible to the people.

AQUINO CALLS FOR SELF-RELIANCE AGAINST REBELS

HK160429 Hong Kong AFP in English 0403 GMT 16 Mar 87

[Text] Manila, March 16 (AFP) -- President Corazon Aquino asserted her government's independence Monday in fighting communist insurgents, and called for greater self-reliance amid criticism that she has been toeing U.S. policy.

"It's our budget. These are our troops in the field. This is our fight," she told 200 soldiers and civilian employees of the Armed Forces' Logistics Command at Camp Aquinaldo, the suburban military headquarters.

As she spoke, a left-wing opposition candidate in the May Senate elections accused the government in a press forum of following the dictates of Washington in dealing with the 18-year-old insurgency.

Romeo Capulong, lawyer of the Communist National Democratic Front in peace talks that collapsed late January, said that instead of addressing the problems that spawned the insurgency, Mrs Aquino wanted to annihilate the rebels.

Mrs Aquino said she appreciated the help of the United States, which is committed to provide 900 million dollars in military and economic aid during fiscal 1985-89 as compensation for its two military bases near Manila.

The president, who has not stated whether she would allow the bases beyond the end of their lease in 1991, confirmed press reports that she was seeking more helicopters under the U.S. aid package.

"I know that combat helicopters are not the ultimate solution to the insurgency, nor even the last word in practical advantage in counter-insurgency," she said.

"But I do know that speed saves lives and multiplies firepower, and I will not gamble on the lives of soldiers," added Mrs Aquino, who was accompanied by Defense Secretary Rafael Ilete and Chief of Staff General Fidel Ramos.

She said she had always "argued, almost nagged for greater air mobility."

Military officials have said there has been a lack of helicopters to ferry troops, weapons and supplies, and that under deposed president Ferdinand Marcos' regime, some generals used combat aircraft for personal purposes.

Without making such an outright accusation, Mrs Aquino said Monday that Mrs Marcos, who is accused of illegally amassing billions of dollars during his 20-year rule, "stole nearly all the means to fight the communists."

She also stressed the importance of using "locally fabricated materials" to fight the rebellion.

The Philippine military has begun making its own rifle grenades and boats, and repairing aircraft, to reduce foreign exchange costs.

500 REBELS REPORTED SURROUNDING INFANTA, QUEZON

HK131119 Manila Radio Veritas in Tagalog 1000 GMT 13 Mar 87

[Text] It has been reported that 500 rebels are surrounding the General Nacar area in Infanta, Quezon. According to 236 Battalion PC [Philippine Constabulary] commander Captain Dominador Pinib. This is based on a military intelligence report. In a report by Ellen Rabago of Station DZJO Infanta, Captain Pinib also revealed that many of Infanta's citizens are clandestinely supporting the NPA including businessmen who are forced to support the rebels for fear of being attacked. Because of this, Captain Pinib is calling on the citizens of Quezon to be united against the communist groups.

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